Department
for Education

Academies model accounts 2025 to 2026

For accounting periods ending 31 August 2026

March 2026

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1. Introduction

1.1 These model accounts help academy trusts to see what the accounts should look like. This document has the same contractual status as the Academies Accounts Direction (the Direction), as compliance with both documents is a requirement of an academy trust's funding agreement.

1.2 As a single company, academy trusts must produce a single set of accounts combining the results of all the academies within the academy trust. Where academy trusts with multiple academies are required to make specific additional disclosures, these are also included. In other disclosures, it is expected that all narrative included is applicable to all component academies. Where this is not the case, academy trusts should provide information to cover all academies.

2. What has changed this year?

2.1 The main changes to the model accounts this year have been highlighted in yellow and are also preceded by the symbol*, for ease of identification. We have:

- Moved the former paragraph 2.2 concerning disclosures required for finance lease agreements to section 3, model accounts (page 5).
- Removed the model disclosure related to the reporting of trade union facility time (former page 8).
- Updated the text related to streamlined energy and carbon reporting (Page 16).
- Updated the relevant note in the model accounts to reflect the clarification made in the Academies Trust Handbook 2025 that Trusts with an annual revenue income over £50 million **(based on their last audited accounts) must** deliver internal scrutiny using any combination of the following:
    - an in-house internal auditor
    - a bought-in internal audit service (page 22).
- Relocated the requirement concerning disclosure of certain categories of transaction previously covered by paragraph 5.3 of the Academies Trust Handbook 2024 to model note 7, Expenditure (Page 43).
- Provided additional guidance to model note 10e, Higher paid staff, covering part-time members of staff and those who worked for part of the year (Page 47).
- Updated the definition of key management personnel and provided clarification points around employee benefits paid to key management personnel in model note 10f, Key Management Personnel (Page 48).

3. Model accounts

In this model document:

- Unless otherwise indicated, text in black provides **examples** of text that **could** be used, **if relevant and appropriate to the academy trust**, to meet the requirements in sufficient detail.
  Text highlighted in red and also preceded by the symbol ^ indicates the source of reference material.

Text in a blue box provides a description of the information required.

- In the financial statements the examples provided include income and expenditure lines with nil balances in the current period. These lines are included to illustrate where such items should be disclosed but, if there is nothing to report in this year and last year, there is no requirement to include them.
- Similarly, any notes to the financial statements that are not relevant to the academy trust (i.e. where there is a nil balance in both the current and previous year) may be omitted, unless specifically stated otherwise in this guidance.

*There may be some academy trusts who have taken advantage of the delegated authority (given in the Academy Trust Handbook 2025) to enter into certain categories of finance lease that appear on the DfE approved list. The model accounts have not been changed to reflect the required disclosures, but we have provided a model format of the notes for the financial statements at paragraph 3.128 of the Direction.

Coketown Academy Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2026

Company Registration Number:
01234567 (England and Wales)

Period of account

For new academy trusts applying this Academies Accounts Direction and so preparing their first set of accounts, the period of account will begin on their date of incorporation at Companies House and end on 31 August 2026. It will not therefore cover a period of exactly one year. In this situation the actual period of account should be stated.

Charity registration numbers

As academy trusts are exempt charities, they must not describe themselves as being registered and may not use a registered charity number, even if they had one previously.

Coketown Academy Trust

Trustees' report

Reference and administrative details

^[See the SORP paragraphs 1.27 to 1.31 and 1.52 and 1.53]. The information on this page must be included if relevant.

Members Include members in office on the date the financial statements are approved and any others who served during the year. This is an additional disclosure requirement in the Accounts Direction to promote transparency.	D Black A Cook S Martin (until 30 April 2026) T South (from 30 April 2026) C Turner J Hart
Trustees Include trustees in office on the date the financial statements are approved and any others who served during the year.	P S Small (chairperson) C J Goodyear K Harris (appointed 2 March 2026) A McGuire L Miller J Murray (staff trustee) O Reville (resigned 1 February 2026) T Sheraton A Smith (staff trustee) G Smith (principal and accounting officer) C Wilkins
Company Secretary [if applicable]	S C Barrett
Senior Management Team:	
• Principal	G Smith
• Deputy principal	P Kolodziejczak
• Deputy principal	L Grace
• Deputy principal	S McMaster
• Director of finance and operations	D Gosling
Company Name	Coketown Academy Trust
Principal and Registered Office	10 Kings Street Coketown CK3 8QZ
Company Registration Number	01234567 (England and Wales)
Independent Auditor	Defour Cornet LLP 186 Crown Street London, EC1
Bankers	BankMart PLC 59 Lancaster Gate Coketown, CK9 0AP
Solicitors	Ternent Dyche 20 Blake Square Coketown, CK2 0DW

Coketown Academy Trust
Trustees' Report (continued)

^Discussed at paragraphs 2.3 to 2.31 of the Direction.

This trustees' report includes the additional content required of larger charities ^[SORP paragraph 1.34]

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year/period **[Insert the start date of the period for which the financial statements have been prepared. For a new academy trust preparing its first accounts this will be the date of incorporation]** to 31 August 2026. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

Whilst not a SORP requirement, academy trusts may find it helpful to insert a brief scene-setter here. Precise text and positioning would be at the discretion of the academy trust, but could be as follows:

The academy trust operates an academy for pupils aged 11 to 16 serving a catchment area in north Coketown. It has a pupil capacity of **x** and had a roll of **y** in the school census on **[date]** 2026.

Or:

The academy trust operates **x** primary/secondary/special academies in Coketown / the southeast / across England. Its academies have a combined pupil capacity of **x** and had a roll of **y** in the school census on **[date]** 2026.

Structure, governance and management.

^[see SORP paragraphs 1.25,1.26 and 1.51]

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Coketown Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Coketown Academy.

Also include details of any other names by which the academy trust makes itself known, which for academy trusts with multiple trading names for the same company could be extensive.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page **[x]**.

Members' liability

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

*As required in the academy trust's funding agreement/memorandum and articles of association.

Trustees' indemnities ^[see Companies Act 2006 s236]

The Companies Act 2006 s236 requires disclosure concerning qualifying third-party indemnity provisions.

Method of recruitment and appointment or election of trustees

Describe these arrangements, as set out in the articles and funding agreement, including the name of any body or person entitled to nominate or appoint one or more trustees. This section must include the approach that is taken to recruiting new trustees including details of any constitutional provisions for appointment, for example election to post.

Policies and procedures adopted for the induction and training of trustees.

Include details as determined and agreed by the trustees.

Organisational structure

Include details of the organisational structure and how decisions are made. For example, explain which decisions are reserved for the board of trustees, and those decisions that are delegated to management.

Also explain the role of the chief executive and/or principal and senior management team and other relevant individuals. The expectation is that the principal will be the accounting officer in a single-academy trust and the chief executive will be the accounting officer in an academy trust with multiple academies.

Details are also required of the organisational structure of any subsidiaries, joint ventures or associates. When providing these details, academy trusts should include:

- reference details of each subsidiary, including the full name and company or charity number
- its levels of ownership and control over the subsidiary (% ownership/control and if not wholly owned the name(s) of other company/individual(s) and their % of ownership/control)
- an explanation of the entity's primary function
- an explanation of how the entity's activities relate to those of the academy trust.

Arrangements for setting pay and remuneration of key management personnel.

Include details of the arrangements for setting the pay and remuneration of the academy trust's key management personnel and any benchmarks, parameters or criteria used in setting their pay. 'Key management personnel' is a term used by FRS 102 for those persons having authority and responsibility for planning, directing and controlling the activities of a reporting entity, directly or indirectly, including any director (whether executive or otherwise). For academy trusts this definition includes trustees and those staff who are the senior management personnel to whom the trustees have delegated significant authority or responsibility in the day-to-day running of the academy trust. In practice, this is likely to equate to trustees and an academy trust's senior leadership team. For academy trusts with multiple academies, it may also include principals and senior leadership teams of individual academies. However, this will depend on the specific circumstances in place.

Related parties and other connected charities and organisations

Provide details where the academy trust is part of a wider network such as a soft federation, explaining the relationship involved where this impacts on the operating policies. Disclosure should include connected charities as discussed in ^paragraphs 3.114 to 3.119 of the Direction.

For sponsored academies, the role and contribution of the sponsor should be explained.

Details are also required of relationships with related parties and any other charities, companies and organisations (including any subsidiaries, joint ventures or associates) with which it cooperates in the pursuit of charitable activities.

Engagement with employees (including disabled persons)

The Companies (Miscellaneous Reporting) Regulations 2018 introduced a requirement for companies with more than 250 employees to include a statement in their directors' (trustees') report summarising action taken during the period to introduce, maintain or develop arrangements aimed at:

- providing employees with information on matters of concern to them
- consulting employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests
- encouraging the involvement of employees in the company's performance
- achieving a common awareness on the part of all employees of the factors affecting the performance of the company
- its policy in respect of applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled person.

The Department for Business, Energy and Industrial Strategy (BEIS) published guidance to help companies understand how this affects them. The Charities Commission has also published a guide: Charities SORP Information Sheet 3: The Companies (Miscellaneous Reporting) Regulations 2018 and UK Company Charities.

Engagement with suppliers, customers and others in a business relationship with the academy trust

The Companies (Miscellaneous Reporting) Regulations 2018 introduce a requirement for large companies to include a statement in their directors' (trustees') report summarising how they have had regard to the need to foster the company's business relationship with suppliers, customers and others. A charitable company qualifies as large if two or more of the following apply in two consecutive financial years:

- Gross annual income over £36m
- Gross (total) assets over £18m
- More than 250 employees

BEIS published guidance to help companies understand how this affects them.

The Charites Commission has also published a guide: Charities SORP Information Sheet 3: The Companies (Miscellaneous Reporting) Regulations 2018 and UK Company Charities. This recommends that charitable companies also consider their relationship with other stakeholders – for example beneficiaries, funders and the wider community.

Coketown Academy Trust
Trustees' Report (continued)

Objectives and activities
^[see SORP paragraphs 1.17 to 1.19 and 1.35 to 1.41]

This section should help the reader understand the purpose of the academy trust.

Objects and aims

Include a summary of the objects of the academy trust as set out in the governing document and an explanation of the academy trust's aims.

Objectives, strategies and activities

This section should explain the main objectives for the year and the strategies for achieving them. Also include details of significant activities linking to the charitable activities and achievement of its stated aims and objects as well as the criteria or measures used to assess success in the reporting period.

Public benefit

This section should address the activities undertaken to further the academy trust's purposes for the public benefit.

A statement is also required confirming that the trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission [on their website at Charities and Public Benefit] in exercising their powers or duties. A definition of public benefit entities is included in the SORP Appendix 1:Glossery of terms. An example is shown below.

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

Strategic report
Achievements and performance
^[see SORP paragraphs 1.12, 1.20, 1.36 and 1.40-1.45]

Include information that enables the reader to understand and assess the achievements of the academy trust in the year, measured by reference to the aims and objectives that have been set, including a summary of the indicators, milestones and benchmarks used to assess achievements.

Key performance indicators

Under the ^Companies Act 2006 requirements for a strategic report, this must include an analysis against key financial performance indicators and, where appropriate, an analysis using other key performance indicators including information relating to environmental and employee matters.

For example, this could include, but may not be limited to, Ofsted inspection outcomes, examination / key stage results, pupil attendance data and pupil recruitment data, in addition to financial and investment performance. It could be presented as both achievements against objectives for the current accounting period and as trends over time.

Going concern

A statement by the trustees on the academy trust's ability to continue to operate as a going concern is required as best practice and should include disclosure of any financial uncertainties facing the academy trust.

Guidance on the Going Concern Basis of Accounting and Related Reporting (including Solvency and Liquidity Risks) issued by the Financial Reporting Council (FRC) should be considered by trustees. Trustees should ensure that their statement accurately reflects their assessment of their academy trust. An illustrative statement is below, to be used when the going concern basis for preparing the financial statements is adopted.

DfE has also published a good practice guide on Going Concern.

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

Promoting the success of the company

^Under section 172(1)(a) to (f) of the Companies Act 2006, directors of a company must act in a way most likely to promote the success of the company, and in doing so must have regard to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others.
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct.
- the need to act fairly as between members of the company.

The Companies (Miscellaneous Reporting) Regulations 2018 introduce a requirement for large companies to include a statement in their strategic report describing how they have had regard to the above matters. A charitable company qualifies as large if two or more of the following apply in two consecutive financial years:

- Gross annual income over £36m
- Gross (total) assets over £18m
- More than 250 employees

This is not intended to be a compliance statement but to instead provide visibility of the considerations by directors in the performance of their duties and should focus on matters of strategic importance to the academy trust. BEIS published guidance to help companies understand how this affects them. The Charites Commission has also published a guide: Charities SORP Information Sheet 3: The Companies (Miscellaneous Reporting) Regulations 2018 and UK Company Charities. This explains that charitable companies should take "promoting the success of the company" to mean **promoting the success of the charity to achieve its charitable purposes**. It recognises there may be overlaps between sections of the trustees' report and encourages charities to avoid repetition, maintain the cohesion of the narrative contained within the trustees' report and incorporate information by cross-reference where appropriate.

Coketown Academy Trust

Trustees' Report (continued)

Financial review

^[see SORP paragraphs 1.21 to 1.24, 1.46 to 1.48]

The review must:

- explain the financial effect of significant events on the financial performance and financial position of the academy trust.
- explain the academy trust's principal risks and uncertainties and plan for managing those risks.
- describe any key factors that are likely to affect the academy trust's financial performance or position going forward.
- explain the overall financial position of the academy trust at the reporting date (likely to be based primarily on the balance sheet). This narrative will provide context to, and insight on, the numbers in the financial statements, focussing on material or significant balances.
- identify any fund or subsidiary undertaking that is materially in deficit, explaining the circumstances giving rise to the deficit and the steps being taken to eliminate the deficit. Disclosure of funds in deficit is also included in the Funds note in the financial statements.

The review should:

- explain the financial performance of the academy trust in the year (likely to be based primarily on the SOFA). It is likely to include, but not be limited to, an explanation of the causes of the academy trust's net income/(expenditure) balance this year.
- describe the principal funding sources of the academy trust and explain how resources support the key objectives of the academy trust.
- explain the academy trust's investment policy and where the academy trust holds material investments the extent (if any) to which it takes social, environmental, or ethical considerations into account in its investment policy.
- describe the academy trust's fundraising practices.

Reserves policy

The trustees' report must explain the academy trust's policy for holding reserves, in particular stating:

- the level of reserves identified by the trustees as being appropriate.
- the reason for holding reserves.

It should also contain a review of the academy trust's reserves which:

- states the amount of total funds held at the balance sheet date.
- identifies the amount of any restricted funds that are not available for the general purposes of the academy trust. The trustees may determine, as good practice, to disclose their policy in relation to such reserves (e.g. restricted general funds, including GAG)
- identifies any amounts that have been designated, where material, and explains the purpose they have been designated for.
- identifies the amount of any fund that can only be realised by disposing of tangible fixed assets.
- explains that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the academy trust in the form of an increase or decrease in employers' pension contributions over a period of years. See the Charity Commission document Charity Reserves and Defined Benefit Pension Schemes.
- states the amount of reserves held at the balance sheet date after making allowance for any restricted and designated funds, and where plans for the future use of reserves are made, both the purpose and the likely timing of the expenditure should be explained.

compares the amount of reserves held at the balance sheet date with the academy trust's reserves policy and explains any steps being taken to bring the level of reserves held into line with the level set out in the policy.

Investment policy

Include a paragraph explaining the powers that the academy trust has with regards to investments, as the organisation will be holding cash balances and thereby technically making investment decisions. It must include a description of the investment policy and objectives and, where material, the extent (if any) to which social, environmental or ethical considerations are considered. Where investments are held then this information and details of investment performance against objectives should be included in the performance and achievements part of the report.

Coketown Academy Trust

Trustees' Report (continued)

Principal risks and uncertainties ^[see SORP paragraph 1.46 and also Companies Act 2006 section 417]

This section must include a description of the principal risks and uncertainties facing the charity as identified by the charity trustees together with a summary of their plans and strategies for managing those risks. This should include consideration of those risks impacting on trustees' responsibilities to ensure the trust's estate is safe, well maintained and complies with relevant regulations.

Under the Companies Act 2006 requirements for a strategic report, the academy trust should include a description of the principal risks and uncertainties it faces, focussing on those that could seriously affect the performance, future prospects or reputation of the academy trust, including its viability. This will link to the risk management process that the academy trust has in place.

In relation specifically to 'financial instruments' the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations (SI 2008/410) Schedule 7 section 6(1) requires disclosure of the academy trust's financial risk management objectives and its exposure to financial risks including credit, cash flow and liquidity risks, unless not material for an assessment of its position and performance. However given the nature of academy trusts, and that the financial instruments that they deal with are largely bank balances, cash and trade creditors, with limited trade (and other) debtors, it is likely that such information will not be material to the assessment of the academy trust's assets, liabilities, financial position and its results and therefore detailed disclosure may not be required.

Reference may be required to its defined benefit pension schemes, particularly where there is a deficit as this may be material.

Fundraising ^[see Charities (Protection and Social Investments) Act 2016]

Under the provisions of the Charities (Protection and Social Investment) Act 2016, this section must include information on fundraising practices. The areas to cover are included in section 13 of the Act and include:

- approach to fundraising
- work with, and oversight of, any commercial participators / professional fundraisers.
- fundraising conforming to recognised standards
- monitoring of fundraising carried out on its behalf.
- fundraising complaints
- protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Trustees may also find it helpful to refer to the Charity Commission publication "Charity fundraising: a guide to trustee duties (CC20)".

Where an academy trust does not undertake formal fundraising, it could include "The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees".

Coketown Academy Trust

Trustees' Report (continued)

Streamlined energy and carbon reporting [see ^Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 and discussed ^at paragraphs 2.23 to 2.30 of the Direction]

*If an academy trust meets the qualifying conditions in *The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018* and consumes more than 40,000 KWh of energy (in the UK) in a reporting period, it must include within the trustees' report:

- its UK energy use and associated greenhouse gas emissions, as a minimum relating to gas, purchased electricity and transport fuel in the period.
- its energy use and emissions
- an emissions intensity ratio
- methodologies used in the calculations
- measures taken to improve energy efficiency in the period.

The Charities Commission has also published a guide: Information sheet 5: The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018-UK, as applied to Charitable Companies (re-issued September 2020).

An illustrative example of how the disclosures could be made is shown below and DfE have published a worked example in the Streamlined energy and carbon reporting good practice guide.

Either (where the academy trust *meets the qualifying conditions and consumes more than 40,000 kWh energy in the period):

UK Greenhouse gas emissions and energy use data for the period	**1 September 2025 to 31 August 2026**	**1 September 2024 to 31 August 2025**
Energy consumption used to calculate emissions (kWh)	**241,039**	**255,530**
Energy consumption break down (kWh) (optional) • gas, • electricity • transport fuel		
Scope 1 emissions in metric tonnes CO2e Gas consumption Owned transport – mini-buses Total scope 1	 31.32 4.35 35.67	 41.32 4.65 45.97
Scope 2 emissions in metric tonnes CO2e Purchased electricity	 10.86	 12.86
Scope 3 emissions in metric tonnes CO2e Business travel in employee-owned vehicles	 0.36	 0.52
Total gross emissions in metric tonnes CO2e	**46.89**	**59.35**

Intensity ratio Tonnes CO2e per pupil	**0.03**	**0.04**
	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 2026 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.** We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.	

Or (where the academy trust *meets the qualifying conditions and consumes less than 40,000 kWh of energy in the period):

As the academy trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Plans for future periods

^[see SORP paragraphs 1.49 to 1.50]

This must explain the plans for the future, including the aims and key objectives set for future periods together with details of any activities planned to achieve them.

It should explain the trustees' perspective of the future direction of the academy trust; how past experience has influenced future plans and decisions about allocating resources.

Funds held as custodian trustee on behalf of others.

^[see SORP paragraph 19.13]

Details of assets and arrangements for safe custody and segregation should be given where the academy trust or its trustees are acting as custodian trustee. It should include the name and objects of the charity on whose behalf they are being held and how this activity falls within their own objective.

Auditor

Required under ^Companies Act 2006 s418 (2)

Insofar as the trustees are aware:

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

A statement may also be included in respect of the reappointment of the auditor.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on **[date]** and signed on the board's behalf by:

[Signed]

[Name to be typed]
Trustee

[Date]

Coketown Academy Trust

Governance statement

^Discussed at paragraphs 2.32 to 2.49 of the Direction.

As central government public sector bodies, academy trusts are required to provide assurance that they are appropriately managed and are controlling the resources for which they are responsible. This assurance must be communicated in a governance statement. The headings are mandatory and the text of this statement must be amended to reflect the circumstances of the individual academy trust.

For academy trusts with multiple academies, the statement will give a description of the controls and arrangements for the academy trust as a whole, with disclosure of exceptional arrangements at individual academies as appropriate.

Scope of responsibility

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

DfE's Governance guide is not mandatory guidance for trustees, but trustees are encouraged to review and take account of these documents as part of their roles. Where they have done this, trustees are also encouraged to include a statement to that effect in their governance statement, such as the one below.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Guide.

The board of trustees has delegated the day-to-day responsibility to the **[principal/chief executive],** as accounting officer [**edit if the two role holders are not the same person**], 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 Coketown Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

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** has formally met **[6]** times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
P S Small (chairperson)	6	6
C J Goodyear	6	6
K Harris (appointed 2 March 2026)	3	3
A McGuire (responsible officer)	6	6
L Miller	4	6
J Murray (staff trustee)	4	6
A Smith (staff trustee)	4	6
O Reville (resigned 1 February 2026)	3	3
T Sheraton	4	6
C Wilkins	6	6
G Smith (principal and accounting officer)	6	6

Include here:

- key changes in the composition of the board of trustees
- the coverage of its work
- the board's performance, including assessment of its own effectiveness and any particular challenges that have arisen for the board.
- information about the quality of the data used by the board, and why the board finds it acceptable.

Conflicts of interest
Academy trusts must describe the processes they have in place to manage conflicts of interest, including for example (but not limited to) maintaining an up-to-date and complete register of interests, and how the information on this register is used in the day-to-day management and governance of the academy trust.
Where relevant, they must also explain how the academy trust avoids conflicts of interest in its ownership or control of any subsidiaries, joint ventures or associates.

Meetings
^Paragraph 2.3 of the Academy Trust Handbook 2025 sets out that the board and its committees must meet regularly enough to discharge their responsibilities and ensure robust governance and effective management arrangements. It states that board meetings **must** take place at least three times a year and larger academy trusts should consider meeting more frequently.

Governance reviews
As a matter of best practice academy trusts should be carrying out a self-assessment annually, and commissioning independent external reviews of governance routinely, as part of a wider programme of self-assessment and improvement in subsequent years. The outcome should be presented here.

- describe the evaluation or review that has been undertaken during the year on the impact and effectiveness of the board of trustees, including any external review of governance.
- describe the findings, any actions taken and the impact they had.
- indicate when the academy trust intends to conduct its next self-evaluation or external review of governance.
- if the academy trust has not carried out a review it should still indicate when it intends to do so.

The **finance and general purposes committee [if appointed]** is a sub-committee of the main board of trustees. Its purpose is to:

Add purpose and particular issues dealt with in the year/period.

During the year K Harris, who is a qualified accountant, joined the committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
K Harris (appointed 2 March 2026)	1	1
L Miller	3	3
T Sheraton	3	3

The **audit and risk committee** is also a sub-committee of the main board of trustees. Its purpose is to:

Add purpose and particular issues dealt with in the year/period.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
C J Goodyear	3	3
J Murray (staff trustee)	3	3
C Wilkins	3	3

Review of value for money

As accounting officer, the **[principal / chief executive]** has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to 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 academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- **[add text]**

Accounting officers must use this section to describe briefly to parents and the community how they have improved their use of resources to deliver better value for money in their academy trust during the year. In particular, accounting officers should consider demonstrating how they have effectively used relevant funding to ensure the trust's estate is safe, well-maintained, and complies with regulations. As discussed in ^paragraphs 2.39 to 2.43 of the Direction.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Coketown Academy Trust for the period **[insert the start date of the period for which the financial statements have been prepared]** to 31 August 2026 and up to the date of approval of the annual report and financial statements.

Will require editing to reflect the circumstances of the individual academy trust.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period **[insert the start date of the period for which the financial statements have been prepared]** to 31 August 2026 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

Will require editing to reflect the circumstances of the individual academy trust.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- regular reviews by the finance and general purposes committee of reports, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks.

The board of trustees has decided:

Insert a description of the option the academy trust has applied deliver its internal scrutiny function, why this option has been chosen and the nature of the work that they have been engaged to perform. for example:
*(Note: The Academy Trust Handbook states that Trusts with an annual revenue income over £50 million (based on their last audited accounts) must deliver internal scrutiny using any combination of the first two options below).

- to employ **[name]** as *in-house internal auditor
- to buy-in an internal audit service from **[name]**
- not to appoint an auditor for this purpose. However, the trustees have appointed **[name]**, a trustee, to carry out a programme of internal checks.
- not to appoint an auditor for this purpose. However, the trustees have appointed **[name]**, the CFO of **[other academy name]** to perform a peer review.

This option has been chosen because…

The revised FRC Ethical Standard for auditors states that a firm providing external audit to an entity shall not also provide internal audit services to it. Where applicable, the academy trust should also describe how its internal scrutiny arrangements have been affected by the requirements of the FRC Ethical Standard for auditors.

Further guidance on internal scrutiny arrangements is available in the ^Academy Trust Handbook and in DfE's good practice guide.

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

Insert details of the checks carried out. The following bullets are illustrative examples only, as academy trusts should determine the scope of their checks based on a consideration of the relative risks.

- testing of recruitment processes
- testing of business continuity processes
- testing of control account / bank reconciliations.

On a **[insert frequency]** basis, the **[auditor/reviewer]** reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the **[auditor/reviewer]** prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Will require editing to reflect the circumstances of the individual academy trust.

Academy trusts should confirm whether the internal auditor/reviewer has delivered their schedule of work as planned, provide details of any significant control issues arising as a result of the internal auditor's/reviewer's work and, if relevant, describe what remedial action is being taken to rectify the issues.

Review of effectiveness

As accounting officer, the **[principal/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/reviewer]**
- 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 DfE e.g. financial notice to improve/notice to improve (FNtI/NtI) and 'minded to' letters.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the **[audit and risk committee]** and a plan to address weaknesses **[if relevant]** and ensure continuous improvement of the system is in place.

Conclusion

It must include either:

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.

Or if relevant, the following statement, along the reason for the conclusion and the plan for improvement.

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 does not have an adequate and effective framework for governance, risk management and control. The reason for this conclusion is [insert the reason for this conclusion] and the plan for improvement is [insert the plan for improvement].

Approved by order of the members of the board of trustees on **[date]** and signed on its behalf by:

[Signed]

[Name to be typed]
Trustee

[Signed]

[Name to be typed]
Accounting Officer

Coketown Academy Trust

Statement of regularity, propriety and compliance

^Discussed at paragraphs 2.50 to 2.64 of the Direction.

The accounting officer's statement of regularity, propriety and compliance **must include the following text**:

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

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

It must include either:

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

Or:

I confirm that the following instances of material irregularity, impropriety or non-compliance have been discovered to date and have been notified to the board of trustees and DfE. If any further instances are identified after the date of this statement, these will be notified to the board of trustees and DfE:

- Issue 1
  [X]
- Issue 2 etc
  [X]

State the monetary amounts if known.

[Signed]

[Name to be typed]

Accounting Officer

[Date]

Coketown Academy Trust

Statement of trustees' responsibilities

^Discussed at paragraphs 2.70 to 2.72 of the Direction.

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Department for Education, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2025 to 2026
- make judgments 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 DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on [date] and signed on its behalf by:

[Signed]

[Name to be typed]

Trustee

Coketown Academy Trust

Independent auditor's report on the financial statements to the members of Coketown Academy Trust

^Discussed at paragraphs 2.73 to 2.78 of the Direction. Also see part 3 of the Auditor Framework and Guide

The form and content of the external auditor's report on the financial statements, which must appear here, is governed by International Standards on Auditing (UK) (ISA's), including ISA 700, relevant legislation and the academy trust funding agreement.

Requirements and guidance may be found in relevant ISAs, supporting auditor reporting guidance published by the FRC and 'Practice Note 11: The Audit of Charities in the United Kingdom (revised)'.

The external auditor's opinion must address whether the financial statements:

- give a true and fair view of the state of the academy trust's affairs at 31 August 2026 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended.
- have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, have been prepared in accordance with the requirements of the Companies Act 2006,
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2025 to 2026.

The external auditor will also report on whether they consider the academy trust's use of the going concern basis of accounting, or otherwise, is appropriate. Additionally, the external auditor will report by exception whether, in their opinion:

- the academy trust has not kept adequate accounting records.
- the annual accounts are not in agreement with the accounting records.
- they have not received all information or explanations required for their audit.

Coketown Academy Trust

Independent reporting accountant's report on regularity to Coketown Academy Trust and the Secretary of State for Education

Discussed at ^paragraphs 2.79 to 2.80 of the Direction. Also ^see part 4 of the Auditor Framework and Guide.

The reporting accountant's report on regularity **must include the following text**:

In accordance with the terms of our engagement letter dated [x] and further to the requirements of the Department for Education (DfE), as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Coketown Academy Trust during the period [insert the start date of the period for which the financial statements have been prepared] to 31 August 2026 have not been applied to the purposes intended by Parliament and that the financial transactions do not conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Coketown Academy Trust's funding agreement with the Secretary of State for Education and the Academy Trust Handbook for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period **[insert the start date of the period for which the financial statements have been prepared]** to 31 August 2026 have not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by DfE, which requires a limited assurance engagement as set out in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- **[X]**
- **[X]**

Conclusion

In the course of our work, **[except for the matters listed below]** nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period **[insert the start date of the period for which the financial statements have been prepared]** to 31 August 2026 has not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

[Matter 1: State the monetary amount if known]

[Matter 2: State the monetary amount if known]

[Signed]

Reporting Accountant

[Firm Name]

[Date]

Coketown Academy Trust

Statement of Financial Activities for the year ended 31 August 2026 (including Income and Expenditure Account)

^Discussed at paragraphs 2.81 to 2.105 of the Direction.

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	2025/26 Total £000	2024/25 Total £000
Income and endowments from:						
Donations and capital grants	3	123	297	544	**964**	1,725
Transfer from local authority on conversion		-	-	-	**-**	8,976
Other trading activities	5	10	-	-	**10**	9
Investments	6	6	-	-	**6**	5
Charitable activities:						
Funding for the academy trust's educational operations	4	-	4,585	-	**4,585**	4,349
Boarding activities **[if required]**	35	-	-	-	**-**	-
Teaching school hub **[if required]**	4	-	-	-	**-**	-
Total		139	4,882	544	**5,565**	15,064
Expenditure on:						
Raising funds	7	13	-	-	**13**	14
Charitable activities:						
Grants	8		-		**-**	-
Academy trust educational operations	9	3	4,546	949	**5,498**	5,198
Provision of boarding activities **[if required]**	35	-	-	-	**-**	-
Teaching School hub **[if required]**	9	-	-	-	**-**	-
Other		-	-	-	**-**	-
Total		16	4,546	949	**5,511**	5,212
Net income / (expenditure)		123	336	(405)	**54**	9,852
Transfers between funds	20	-	(10)	10	**-**	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	32	-	(319)	-	**(319)**	(133)
Net movement in funds		123	7	(395)	**(265)**	9,719
Reconciliation of funds						
Total funds brought forward		155	(956)	10,520	**9,719**	-
Total funds carried forward		**278**	**(949)**	**10,125**	**9,454**	9,719

The ^SORP [paragraph 4.2] requires disclosure of comparative information for all amounts presented in the SOFA, including the split between unrestricted and restricted income funds. See ^paragraphs 3.129 to 3.130 of the Direction for further information on how this may be presented.

Coketown Academy Trust

Balance Sheet as at 31 August 2026

Company Number 01234567

^Discussed at paragraphs 2.106 to 2.119 of the Direction.

	Note	2026 £000	2026 £000	2025 £000	2025 £000
Fixed assets					
Intangible assets	14		**6**		-
Tangible assets	15		**9,963**		10,518
Current assets					
Stock	16	**4**		5	
Debtors	17	**78**		82	
Cash at bank and in hand		**896**		255	
		978		342	
Liabilities					
Creditors: Amounts falling due within one year	18	**(80)**		(87)	
Net current assets			**898**		255
Total assets less current liabilities			**10,867**		10,773
Creditors: Amounts falling due after more than one year	19		**-**		-
Net assets excluding pension asset/ liability			**10,867**		10,773
Defined benefit pension scheme asset/ (liability)	32		**(1,413)**		(1,054)
Total net assets			**9,454**		9,719
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	20	**10,125**		10,520	
Restricted income fund	20	**464**		98	
Pension reserve	20	**(1,413)**		(1,054)	
Total restricted funds			**9,176**		9,564
Unrestricted income funds	20		**278**		155
Total funds			**9,454**		9,719

The financial statements on pages **[insert values]** were approved by the trustees and authorised for issue on **[date]** 2026 and are signed on their behalf by:

[Signed]

[Name to be typed]
Trustee

Coketown Academy Trust

Statement of Cash Flows for the year ended 31 August 2026

^Discussed at paragraphs 2.120 to 2.123 of the Direction.

	Note	2026 £000	2025 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	24	**491**	260
Cash flows from investing activities	26	**150**	(5)
Cash flows from financing activities	25	**-**	-
Change in cash and cash equivalents in the reporting period		**641**	255
Cash and cash equivalents at 1 September 2025		255	-
Cash and cash equivalents at 31 August 2026	27/28	**896**	255

Coketown Academy Trust

Notes to the financial statements

^Discussed at paragraphs 2.124 to 2.189 of the Direction.

1 Accounting policies

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

Academy trusts should only disclose those accounting policies which are material and relevant to their specific situation. Materiality relates to the financial information provided in the accounts and an item is material when its omission or misstatement could influence the economic decisions that users make on the basis of those accounts. The suggested accounting policies set out below should therefore be modified accordingly and consideration given as to whether any additional policies need including [^see SORP module 3 and FRS 102 sections 2,3 and 10].

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Academies Accounts Direction 2025 to 2026 issued by DfE, the Charities Act 2011 and the Companies Act 2006.

^Under section 3.40 of SORP and section 3.3A of FRS 102, an academy trust must state:

- that it is a public benefit entity;
- any judgements made in applying the academy trust's accounting policies that have the most significant effect on the amounts recognised in the accounts;
- the key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date and

details of the nature and carrying amount of assets where there is a significant risk of material adjustment within the next reporting period.

Going concern

This should include a brief explanation as to the factors that support the conclusion that the academy trust is a going concern. It should include a balanced, proportionate and clear disclosure of any uncertainties that make the going concern assumption doubtful, or if the accounts are not prepared on a going concern basis, this fact must be disclosed, together with the basis on which the trustees have prepared the accounts and the reason the academy trust is not a going concern.

Where there are no material uncertainties about the academy trust's ability to continue, this should be stated.

The assessment should be in respect of the foreseeable future, which is at least 12 months from the date the financial statements are authorised for issue. An illustrative statement, which only applies where there are no material uncertainties, is set out below.

DfE has also published a good practice guide on Going Concern.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

Grants

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

Specific reference should be made to the treatment of GAG, capital grants and grants with specific performance conditions. For example:

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Where an asset is being constructed and the academy trust is recognising an asset on balance sheet for the development from DfE funding, then the policy for this should be disclosed.

It should not be accrued on the basis of the funding letter, as that does not give rise to an unconditional entitlement.

The academy trust is benefiting from [tailor as applicable]. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development is occurring on a site where the academy trust controls (through ownership, lease or licence) [tailor to circumstances]. The expenditure is capitalised in assets under construction until the project is complete.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the 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 period it is receivable and to the extent the academy trust has provided the goods or services.

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

Transfer on conversion [include if relevant to the academy trust]
Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received.

Transfer of existing academies into the academy trust [include if relevant to the academy trust]
Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

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

Where the Charitable Company has, upon becoming an academy trust, received a transfer of property or been party to a lease of property for little or no consideration, it should include an additional policy, which will need details of the transaction and the basis of measurement as the policy above is not sufficient.

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.

Intangible fixed assets [if arising]
Intangible assets costing **£[x]** 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 fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software**[x]**

Tangible fixed assets
Assets costing **£[x]** or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

- Freehold buildings **[x]**
- Leasehold buildings **[x]**
- Furniture and equipment **[x]**
- Plant and machinery **[x]**
- Computer equipment **[x]**
- Motor vehicles **[x]**

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

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

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

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

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

Investments

None are included in this model, but if relevant the suggested disclosure could be as follows, with valuation in line with the ^SORP [paragraphs 10.44 to 10.49]

The academy trust's shareholding in the wholly owned subsidiary, ABC Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stock

Stock in these model accounts is immaterial but the policy is included for illustrative purposes.

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

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.

Pensions benefits
Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary 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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

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

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

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

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.

Disclose the key assumptions concerning the future, other key sources of estimation uncertainty at the reporting date, and the nature and carrying amount at the end of the reporting period of assets and liabilities.

The main example that would apply to academy trusts is the estimates used in valuing the local government pension scheme.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 31, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2025 has been used by the actuary in valuing the pensions liability at 31 August 2026. 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

Disclose the judgements (apart from those involving estimation) that have the most significant effect on the amounts recognised in the financial statements. The trustees must establish which areas of judgement are critical to the academy trust's financial statements.

An example that may apply to academy trusts (where relevant) is the significant judgements needed in assessing whether any LGPS surplus should be recognised as a pension asset or whether the surplus should be restricted to some level or in total. FRS 102 section 28.22 states a plan surplus can be recognised only to the extent an entity is able to recover the surplus, either through reduced contributions in the future, or through refunds from the scheme. Consider including here the impact of this assessment, on the extent to which a scheme surplus has been recognised as a pension asset at the balance sheet date.

2 General Annual Grant (GAG) [if required]
^Discussed at paragraphs 3.122 to 3.126 of the Direction.

This note is required if the academy trust's funding agreement at 31 August 2026 contained limits on the amount of GAG that it was permitted to carry forward from one year to the next. If there were no limits, this should be stated in the funds note 20.

Under the funding agreement with the Secretary of State, the academy trust was subject to limits at 31 August 2026 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust **[has/has not]** exceeded these limits during the year ended 31 August 2026.

3 Donations and capital grants

^Discussed at paragraphs 2.88 - 2.92, 2.132 and 3.1 - 3.14 of the Direction.

	Unrestricted funds	Restricted funds	2025/26 Total	2024/25 Total
	£000	£000	£000	£000
Capital grants	-	544	**544**	1,224
Donated fixed assets	-	-	**-**	-
Other donations	123	297	**420**	501
	123	841	**964**	1,725

4 Funding for the academy trust's charitable activities

^Discussed at paragraphs 2.97 - 2.99, 2.143 - 2.146 of the Direction.

Educational operations

	Unrestricted funds	Restricted funds	2025/26 Total	2024/25 Total
	£000	£000	£000	£000
DfE grants				
General Annual Grant (GAG)	-	4,500	**4,500**	4,257
Other DfE grants				
UIFSM	-	45	**45**	52
Pupil Premium	-	40	**40**	40
Others	-	-	**-**	-
Other DfE Group grants	-	-	**-**	-
	-	4,585	**4,585**	4,349
Other Government grants				
Local authority grants	-	-	**-**	-
Special educational projects	-	-	**-**	-
	-	-	**-**	-
Other income from the academy trust's educational operations	-	-	**-**	-
	-	4,585	4,585	4,349

Teaching school hub [if required]

DfE grants	-	-	-	-
Other income	-	-	-	-
	-	-	-	-

^The SORP [paragraph 5.58] sets out the disclosure requirements for charities in receipt of government grants. In particular, any unfulfilled conditions and other contingencies for grants recognised should be disclosed, where relevant.

DfE grants
The value of **GAG**, as per the GAG statement, should be shown as a separate line and excludes the amount for Student Support Services and Grants for Trust Activity.

Academy trusts should then list out any **other individually material grants** received from the Department for Education under the heading of **Other DfE grants.** For example, this could include 16-19 core education funding, Pupil Premium, Pupil Number Adjustment, UIFSM, PE and Sports Grant, Teachers' Pay Grant etc. Any remaining grants received from DfE would be grouped under the heading of **Others**.

The disclosure above is included for illustration purposes and it is expected that academy trusts will have a number of additional material other DfE grants, which should be listed separately.

The **Other DfE group grants** line should be used for the total of grants received from other agencies and public bodies which support the DfE, namely Standards and Testing Agency (STA), Equality and Human Rights Commission (EHRC), Office of the Children's Commissioner (OCC), Student Loans Company (SLC), Office for Students (OfS), Engineering Construction Industry Training Board (ECITB) and Construction Industry Training Board (CITB).

Most academy trusts have a single charitable objective. Where an academy trust has a second charitable objective, for example the provision of leisure and welfare, it would be appropriate to separately disclose transactions relating to that activity in the notes to the financial statements. This could either be as part of or in addition to notes 4-9.

5 Other trading activities

^Discussed at paragraph 2.95 of the Direction.

	Unrestricted funds	Restricted funds	2025/26 Total	2024/25 Total
	£000	£000	£000	£000
Hire of facilities	10	-	**10**	9
Income from other charitable activities	-	-	**-**	-
Income from ancillary trading activities	-	-	**-**	-
	10	-	**10**	9

The figure included above is not material but is included for illustrative purposes.

6 Investment income

^Discussed at paragraphs 2.96 of the Direction.

	Unrestricted funds	Restricted funds	2025/26 Total	2024/25 Total
	£000	£000	£000	£000
Short term deposits	6	-	**6**	5
	6	-	**6**	5

An analysis of the material components should be given if not provided on the face of the SOFA. The figure included above is not material but is included for illustrative purposes.

7 Expenditure

^Discussed at paragraph 2.102 to 2.103 of the Direction.

	Non-Pay Expenditure				
	Staff costs £000	**Premises £000**	**Other £000**	**Total 2025/26 £000**	**Total 2024/25 £000**
Expenditure on raising funds:		-			
Direct costs	8		3	**11**	11
Allocated support costs	1		1	**2**	3
Academy's educational operations:					
Direct costs	3,024	634	502	**4,160**	3,866
Allocated support costs	523	503	312	**1,338**	1,332
Boarding activities **[if relevant]**	-	-	-	**-**	-
Direct costs	-	-	-	**-**	-
Allocated support costs	-	-	-	**-**	-
Teaching school hub **[if relevant]**	-	-	-	**-**	-
Direct costs	-	-	-	**-**	-
Allocated support costs	-	-	-	**-**	-
	3,556	1,137	818	**5,511**	5,212

Net income/(expenditure) for the period includes:

	2025/26 £000	**2024/25 £000**
Operating lease rentals	**4**	5
Depreciation	**946**	870
(Gain)/loss on disposal of fixed assets	**-**	-
Amortisation of intangible fixed assets (included within Charitable Activities – Academy trust educational operations)	**3**	-
Fees payable to auditor for:		
- audit	**14**	15
- other services	**4**	5

*Additional disclosure is required in the accounts for certain categories of transaction irrespective of whether DfE approval is required:

- special payments - compensation
- special payments - ex gratia
- writing off debts and losses
- guarantees, letters of comfort and indemnities
- acquisition or disposal of freehold land and buildings
- disposal of heritage assets
- taking up or granting a leasehold on land and buildings
- gifts by the trust

Disclosure should include the total value of the transactions during the period plus individual disclosure of items over £5,000, if arising. Disclosure is illustrated below. An entry is not required if no transactions arose.

In the case of ex-gratia payments the ^SORP [paragraph 9.25] requires all payments to be disclosed, regardless of value, including an explanation of the nature of the payment and the legal authority, although payments may be aggregated where they are of a similar nature and where this does not impact on the understanding of the arrangement.

Whilst not generally expected to arise, the following terms used in the disclosure have the meaning given in annex 4.13 of HM Treasury's Managing Public Money:

- compensation means 'payments to provide redress for personal injuries, traffic accidents, damage to property etc.' that go beyond statutory or contractual entitlement.
- ex-gratia means other 'payments' that go beyond statutory cover, legal liability or administrative rules.

Note that 'compensation payments' does not mean staff severance payments, which are disclosed in note 10.

Included within expenditure are the following transactions.

	Total £	**Individual items above £5,000**	
		Amount £	**Reason**
Compensation payments	x	x	x
Gifts made by the academy trust	x	x	x
Fixed asset losses	x	x	x
Stock losses	x	x	x
Unrecoverable debts	x	x	x
Cash losses	x	x	x

	Total £	Individual items	
		Amount £	Reason/ nature
Ex-gratia payments	x	x	x

The legal authority sought to make ex-gratia payments being delegated authority or approval from the Department for Education, in accordance with the Academy Trust Handbook 2025.

8 Analysis of grant expenditure

^Discussed at paragraph 3.10 of the Direction.

	Unrestricted funds £000	Restricted funds £000	2025/26 Total £000	2024/25 Total £000
Improvements to diocesan property occupied by the academy trust	-	x	x	-
	-	x	**x**	-

9 Charitable activities

^Discussed at paragraph 2.103 of the Direction.

	2025/26 £000	2024/25 £000
Direct costs – educational operations	**4,160**	3,866
Direct costs – teaching school hub [if relevant]	**-**	-
Direct costs – boarding [if relevant]	**-**	-
Support costs – educational operations	**1,338**	1,332
Support costs – teaching school hub [if relevant]	**-**	-
Support costs – boarding [if relevant]	**-**	-
	5,498	5,198

Analysis of support costs	Teaching school hub £000	Boarding activity £000	Educational operations £000	2025/26 Total £000	2024/25 Total £000
Support staff costs	-	-	415	**415**	409
Depreciation	-	-	312	**312**	304
Technology costs	-	-	-	**-**	-
Premises costs	-	-	407	**407**	401
Legal costs – conversion	-	-	-	**-**	-
Legal costs – other	-	-	-	**-**	-
Other support costs	-	-	109	**109**	118
Governance costs	-	-	95	**95**	100
Total support costs	-	-	1,338	**1,338**	1,332

Included within governance costs are any costs associated with the strategic, as opposed to day-to-day, management of the charity's activities. These costs will include any employee benefits for trusteeship, the cost of charity employees involved in meetings with trustees, the cost of any administrative support provided to the trustees, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

If there are any ancillary or other charitable activities, include these in this table. It would be appropriate to use headings consistent with those in note 5.

Academy trusts could provide further analysis of any significant direct costs to further explain what is included within other charitable activities.

10 Staff

^Discussed at paragraphs 2.147 to 2.156 of the Direction.

a. **Staff costs** and employee benefits

Staff costs during the period were:

	2025/26 £000	2024/25 £000
Wages and salaries	**2,696**	2,608
Social security costs	**270**	267
Pension costs	**550**	519
Other employee benefits	**-**	-
	3,516	3,394
Agency staff costs	**-**	-
Staff restructuring costs	**40**	40
	3,556	3,434
Staff restructuring costs comprise:		
Redundancy payments	**20**	20
Severance payments	**20**	20
Other restructuring costs	**-**	-
	40	40

The figure for operating costs of defined benefit pension schemes will include employer contributions to the LGPS and the TPS but should exclude finance costs.

b. **Severance payments**

"Severance payments" include contractual payments, statutory payments and special staff severance payments. Special staff severance payments are amounts paid to employees outside of statutory and contractual requirements.

Disclose **all** severance payments made by the academy trust during the period, in the bands below. This requirement stems from HM Treasury's Guidance on Public Sector Exit Payments (para 4.1).

^The Academy Trust Handbook 2025 (paragraphs 5.10 - 5.13) explains an academy trust's requirements to obtain approval from DfE where it makes special severance payments. More detail on severance payments for academy trusts can be found in the Guide to academy trust severance payments.

The academy trust paid **5** severance payments in the year, disclosed in the following bands:

0 - £25,0005

£25,001 - £50,0000

£50,001 - £100,0000

£100,001 - £150,000 0

£150,000+0

c. **Special staff severance payments**

Disclose the individual value of all special staff severance payments (which are amounts paid to employees outside of statutory and contractual requirements) made by the academy trust during the period. This is regardless of value (and even when these payments form (part of) the payments included in note b) in accordance with the ^Academy Trust Handbook 2025 [paragraph 5.7 onwards].

The names of the recipients do not need to be disclosed. Disclose as below, noting that the amounts are not rounded. A note is not required if no transactions arose.

Included in staff restructuring costs are special severance payments totalling £15,000 (2025: £nil). Individually, the payments were: £1,000, £4,000, £4,000 and £6,000.

d. **Staff numbers**

The figures disclosed here should be the average headcount, as detailed in ^section 411 of Companies Act 2006, although the average number expressed as a full time equivalent may be provided in addition.

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

	2025/26 No.	**2024/25 No.**
Teachers	**66**	65
Administration and support	**21**	23
Management	**8**	8
	95	96

e. **Higher paid staff**

The ^SORP [section 9.30] requires disclosure, in £10,000 bandings, of benefits to employees who received more than £60,000 in the period. *Additionally, if a part-time member of staff received less than £60,000 in the year, but would have received at least £60,000 pro rata on a full-time basis, this must be set out as a narrative disclosure within the note. The disclosure must state within which £10,000 band the full-time equivalent benefits would fall. Likewise, if a member of staff only worked for part of the year, but the full-year value of their remuneration would have been at least £60,000 on a pro-rata basis, this too must be set out as a narrative disclosure within the note covering the same points.

Employee benefits are defined in the ^SORP [appendix 1] as all forms of consideration paid by an academy trust for the service rendered by employees and include all remuneration, salary, benefits, employer's pension contributions and any termination payments made. But for the purposes of the banded disclosure, SORP information sheet 1 clarifies that employer pension costs and employer national insurance contributions are excluded from this calculation.

Where the academy trust has entered into an "off-payroll" arrangement with someone who is not an employee, including but not limited to where DfE has exceptionally approved the appointment of an Accounting Officer (AO) or Chief Financial Officer (CFO), the amount paid by the academy trust for that person's work for the academy trust in this role must also be included in this note as if they were an employee.

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

	2025/26 No.	2024/25 No.
£60,001 - £70,000	**3**	**3**
£70,001 - £80,000	**1**	**1**

*One additional member of staff joined the academy trust part way through the year and although they did not receive remuneration in excess of £60,000 during the year, their full-time equivalent remuneration fell within the band £70,001 to £80,000.

f. **Key management personnel**

^The SORP [section 9.32] requires disclosure of the total amount of employee benefits received by key management personnel, *defined by FRS 102 (paragraph 33.6) as those persons having authority and responsibility for planning, directing and controlling the activities of the academy trust, directly or indirectly. When calculating employee benefits, employer pension contributions and employer national insurance contributions are included *(Academies Accounts Direction, paragraph 2.156).

*Where remuneration for a member of key management personnel is accrued in the current accounting period or has been accrued in previous accounting periods, the value of the remuneration accrued in the period and / or the cumulative value of accrued remuneration must be disclosed separately, with an explanation. Remuneration accrued in the accounting period for the accounting officer must also be included in the disclosure of the accounting officer's remuneration, together with an explanation.

*Where remuneration has been paid to a member of key management personnel in the current accounting period, and that remuneration has been accrued over either one or more previous accounting periods, the total value accrued in the previous accounting period(s) must be disclosed with an explanation.

The SORP also states that trustees should consider the information needs of their funders and other stakeholders in making their accounting disclosures and so more detailed disclosures may be helpful.

Where the academy trust has entered into an "off-payroll" arrangement with someone who is not an employee, including but not limited to where DfE has exceptionally approved the appointment of an AO or CFO *or when a former member of key management personnel continues to receive remuneration from the academy trust in a consultancy or similar role, the amount paid by the academy trust for that person's work for the academy trust in this role must also be included in this note as if they were an employee.

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 £390,000 (2025 £390,000).

11 Central services [where applicable]

^Discussed at paragraphs 2.160 to 2.161 of the Direction.

The academy trust has provided the following central services to its academies during the year:

Include the list of services, such as:

- human resources
- financial services
- legal services
- educational support services
- others as arising

The academy trust charges for these services on the following basis:

Enter details, such as:

- flat percentage of income (state percentage)
- amount per pupil (state amount)
- time-apportioned (describe basis)
- other bases as arising

The actual amounts charged during the year were as follows:

	2025/26 £000	**2024/25 £000**
Boomtown Academy	**30**	30
Hopetown Academy	**20**	20
Newtown Academy	**61**	61
	111	111

Alternatively, if the academy trust did not have a central management/services function and/or no central charges arose this must be disclosed. Suggested text is below:

No central services were provided by the academy trust to its academies during the period and no central charges arose.

12 Related party transactions – trustees' remuneration and expenses

^Discussed at paragraphs 2.162 - 2.184 of the Direction.

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

[If this is not the case payments must be disclosed separately].

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

G Small (principal and trustee):

Remuneration £75,000 - £80,000 (2025: £75,000 - £80,000)

Employer's pension contributions paid £10,000 - £15,000 (2025: £10,000 - £15,000)

J Murray (staff trustee):

Remuneration £35,000 - £40,000 (2025: £35,000 - £40,000)

Employer's pension contributions paid £5,000 - £10,000 (2025: £5,000 - £10,000)

A Smith (staff trustee):
Remuneration £35,000 - £40,000 (2025: £35,000 - £40,000)
Employer's pension contributions paid £5,000 - £10,000 (2025: £5,000 - £10,000)

During the period ended 31 August 2026, travel and subsistence expenses totalling £1,400 were reimbursed or paid directly to 4 trustees (2025: £1,800 to 5 trustees).

Other related party transactions involving the trustees are set out in note 33.

13 Trustees' and officers' insurance
^Discussed at paragraph 3.137 of the Direction.

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the period ended 31 August 2026 was £1,600 (2025: £1,540). The cost of this insurance is included in the total insurance cost.

14 Intangible fixed assets [if arising]
^Discussed at paragraphs 2.107 and 2.134 of the Direction.

The most common form of intangible assets held by academy trusts is likely to be computer software. This should exclude any software required for the computers to operate such as a Windows operating system, as these items are not 'separable' and should be capitalised with the relevant hardware. All other software such as word processing or finance packages, where material, would be treated as an intangible fixed asset.

	Computer Software £000	**2025/26Total £000**
Cost		
At 1 September 2025	4	**4**
Additions	9	**9**
At 31 August 2026	13	**13**
Amortisation		
At 1 September 2025	4	**4**
Charged in year	3	**3**
At 31 August 2026	7	**7**
Carrying amount		
At 31 August 2025	**-**	**-**
At 31 August 2026	**6**	**6**

15 Tangible fixed assets

^Discussed at paragraphs 2.108 and 2.135 of the Direction.

2025/2026

	Freehold land and buildings £000	Leasehold land and buildings £000	Leasehold improvements £000	Assets under construction £000	Furniture and equipment £000	Plant and machinery £000	Computer equipment £000	Motor vehicles £000	**Total £000**
Cost									
At 1 September 2025	6,039	1,510	-	-	2,569	1,100	120	50	**11,388**
Acquisitions	-	-	-	-	231	160	-	-	**391**
Additions	-	-	-	-	-	-	-	-	
Disposals	-	-	-	-	-	-	--	-	**-**
At 31 August 2026	6,039	1,510	-	-	2,800	1,260	120	50	**11,779**
Depreciation									
At 1 September 2025	128	32	-	-	409	251	40	10	**870**
Charged in year	128	32	-	-	456	280	40	10	**946**
Disposals	-	-	-	-	-	-	-	-	**-**
At 31 August 2026	256	64	-	-	865	531	80	20	**1,816**
Net book values									
At 31 August 2025	5,911	1,478	-	-	2,160	849	80	40	10,518
At 31 August 2026	**5,783**	**1,446**	**-**	**-**	**1,935**	**729**	**40**	**30**	**9,963**

Disclose fixed assets per the categories in the table above. If any category does not apply to your academy trust, then there is no requirement to include this.

Disclose individually the following transactions by the academy trust:

- acquisitions of freehold land and buildings, if the value of the acquisition exceeds £5,000.
- disposals of freehold land and buildings, if the value exceeds £5,000.
- taking up a leasehold on land or buildings (academy trust as tenant) if lease payments exceed £5,000.
- granting a leasehold on land or buildings (academy trust as landlord) if lease payments exceed £5,000.
- disposals of heritage assets

in accordance with the Academy Trust Handbook 2025 [paragraph 5.2] disclose as below. This narrative need not refer to the acquisition of land and buildings at the time of academy conversion, nor to building work on existing buildings. Narrative is not required if no transactions arose.

The academy trust's transactions relating to land and buildings included:

- the acquisition of the freehold on **[describe property acquired]** which was **[purchased by/donated to]** the academy trust at a value of **£x.**
- the disposal of the freehold on **[describe property disposed of]** by the academy trust at a value of **£x.**
- the taking up of a leasehold on **[describe property leased]** for **£x** over a term of **x years.**
- the granting of a leasehold on **[describe property leased]** for **£x** over a term of **x years.**
- the academy trust disposed of a heritage asset during the year comprising **[describe item]** at a value of **£x.**

16 Stock [if arising]

^Discussed at paragraphs 2.110 and 2.139 of the Direction.

In these model accounts stock is immaterial, but the note is included for illustrative purposes.

	2026 £000	2025 £000
Clothing	**2**	2
Catering	**2**	3
	4	5

17 Debtors

^Discussed at paragraph 2.111 of the Direction.

	2026 £000	2025 £000
Trade debtors	**13**	12
VAT recoverable	**10**	10
Other debtors	**6**	7
Prepayments and accrued income	**49**	53
	78	82

18 Creditors: amounts falling due within one year

^Discussed at paragraph 2.113 of the Direction.

	2026 £000	2025 £000
Trade creditors	**15**	18
Other taxation and social security	**33**	31
DfE creditor: abatement of GAG **[if applicable]**	**-**	-
Loans	**-**	-
Other creditors	**10**	12
Accruals and deferred income	**22**	26
	80	87

Deferred income at 1 September 2025	**22**	-
Released from previous years	**(22)**	-
Resources deferred in the year	**15**	22
Deferred income at 31 August 2026	**15**	22

Include an explanation of deferred income held at 31 August 2026, as follows:

At the balance sheet date, the academy trust was holding funds (of £[x]) received in advance for lettings booked for the autumn term 2026.

Loans of **[insert value]** from **[insert relevant lender]** which is provided on the following terms **[insert details]**.

19 Creditors: amounts falling due in greater than one year [if arising]

^Discussed at paragraph 2.113 of the Direction.

This note is included for illustration.

	2026 £000	2025 £000
Loans	**-**	-
Other creditors	**-**	-

Loans of **[insert value]** from **[insert relevant lender]** which is provided on the following terms **[insert details such as interest rate, maturity, repayment schedule]**.

Loans may include, but are not limited to:

- loans from DfE under the Condition Improvement Fund.
- loans inherited from a local authority predecessor school on conversion.
- loans from Salix.

20 Funds

^Discussed at paragraphs 2.185 to 2.187 of the Direction.

	Balance at 1 September 2025 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2026 £000
Restricted general funds					
General Annual Grant (GAG)	98	4,500	(4,175)	(10)	**413**
UIFSM	-	45	(45)	-	**-**
Pupil Premium	-	40	(40)	-	**-**
Provision for boarding	-	-	-	-	**-**
Teaching school hub	-	-	-	-	**-**
Other grants	-	297	(246)	-	**51**
Pension reserve	(1,054)	-	(40)	(319)	**(1,413)**
	(956)	4,882	(4,546)	(329)	**(949)**
Restricted fixed asset funds					
Transfer on conversion	9,218	-	(673)	-	**8,545**
DfE Group capital grants	1,124	200	(100)	-	**1,224**
Capital expenditure from GAG	7	-	(3)	10	**14**
Private sector capital sponsorship	171	344	(173)	-	**342**
	10,520	544	(949)	10	**10,125**
Total restricted funds	**9,564**	**5,426**	**(5,495)**	**(319)**	**9,176**
Total unrestricted funds	155	139	(16)	-	**278**
Total funds	**9,719**	**5,565**	**(5,511)**	**(319)**	**9,454**

The academy trust is not subject to GAG carried forward limits [if applicable].

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

For each fund held during the year provide a description of how the fund has arisen and the nature of any restrictions imposed, as well as any material transfers between different classes of funds.

The academy trust must also review the balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2026. In the above example this would be a net surplus of £464k + £278k = £742k. If the result is a deficit the following disclosure must be made:

The academy trust is carrying a net deficit of £**x**k on restricted general funds (excluding pension reserve) plus unrestricted funds because **[give brief details].** The academy trust is taking the following action to return these funds to surplus: **[give brief details]**.

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

	Balance at 1 September 2024 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2025 £000
Restricted general funds					
General Annual Grant (GAG)	100	4,300	(4,302)		**98**
Start Up Grant	-	-	-	-	**-**
Pupil Premium	-	85	(85)	-	**-**
Provision for boarding	-	-	-	-	**-**
Teaching school hub	-	-	-	-	**-**
Other grants	-	300			
Pension reserve	(694)	-	(40)	(320)	**(1,054)**
	(594)	4,685	(4,727)	(320)	**(956)**
Restricted fixed asset funds					
Transfer on conversion	9,218	-	-	-	**9,218**
DfE Group capital grants	1,024	200	(100)	-	**1,124**
Capital expenditure from GAG	0	-	(3)	10	**7**
Private sector capital sponsorship	71	250	(150)	-	**171**
	10,313	450	(253)	10	**10,520**
Total restricted funds	**9,719**	**5,135**	**(4,980)**	**(310)**	**9,564**
Total unrestricted funds	30	140	(15)	-	**155**
Total funds	**9,749**	**5,275**	**(4,995)**	**(310)**	**9,719**

In addition, academy trusts with multiple academies must also complete and add on this note.

Total funds analysis by academy

Either state:

Fund balances at 31 August 2026 were allocated as follows:

	2026 £000	2025 £000
Boomtown Academy	**492**	300
Hopetown Academy	**400**	155
Newtown Academy	**(155)**	(205)
Central services **[if applicable]**	**5**	5
Total before fixed assets and pension reserve	**742**	255
Restricted fixed asset fund	**10,125**	10,518
Pension reserve	**(1,413)**	(1,054)
Total	**9,454**	9,719

Newtown Academy is carrying a net deficit of £155k on these funds because: **[give brief details]**

The academy trust is taking the following action to return the academy to surplus: **[give brief details]**

Or:

Fund balances for each academy 31 August 2026 and 31 August 2025 were zero, hence a breakdown by academy is not included in these accounts.

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	2025/26 Total £000	2024/25 Total £000
Boomtown Academy	1,600	400	150	300	**2,450**	2,250
Hopetown Academy	700	52	73	100	**925**	873
Newtown Academy	788	76	100	143	**1,107**	1,107
Central services **[if applicable]**	-	95	-	41	**136**	111
Academy Trust	**3,088**	**623**	**323**	**584**	**4,618**	4,341

Costs not attributable totalled £69k.

21 Analysis of net assets between funds

^Discussed at paragraphs 2.185 to 2.187 of the Direction.

Fund balances at 31 August 2026 are represented by:

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds £000
Intangible fixed assets	-	-	6	**6**
Tangible fixed assets	8	-	9,955	**9,963**
Current assets	270	544	164	**978**
Current liabilities	-	(80)	-	**(80)**
Non-current liabilities	-	-	-	**-**
Pension scheme liability	-	(1,413)	-	**(1,413)**
Total net assets	278	(949)	10,125	**9,454**

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

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds £000
Intangible fixed assets	-	-	-	**-**
Tangible fixed assets	20	-	10,498	**10,518**
Current assets	135	185	22	**342**
Current liabilities	-	(87)	-	**(87)**

Non-current liabilities	-	-	-	-
Pension scheme liability	=	(1,054)	-	**(1,054)**
Total net assets	155	(956)	10,520	**9,719**

22 Capital commitments

	2026 £000	2025 £000
Contracted for, but not provided in the financial statements	**15**	43

23 Long-term commitments, including operating leases.

^Discussed at paragraphs 3.45 to 3.46 of the Direction.

a) Operating leases

At 31 August 2026 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2026 £000	2025 £000
Amounts due within one year	**18**	18
Amounts due between one and five years	**18**	36
Amounts due after five years	**-**	-
	36	54

b) Long-term commitments (other contractual commitments)

Model disclosures for long term commitments, such as those relating to a service concession arrangement, are set out at ^paragraph 3.46 of the Direction.

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

^Discussed at paragraph 2.121 of the Direction.

	2025/26 £000	2024/25 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**54**	9,852
Adjusted for:		
Amortisation [note 14]	**3**	-
Depreciation [note 15]	**946**	870
Capital grants from DfE and other capital income	**(544)**	(11,378)
Interest receivable [note 6]	**(6)**	(5)
Defined benefit pension scheme obligation inherited	**-**	834
Defined benefit pension scheme cost less contributions payable [note 32]	**18**	65
Defined benefit pension scheme finance cost [note 32]	**22**	22
(Increase)/decrease in stocks	**1**	(5)
(Increase)/decrease in debtors	**4**	(82)
Increase/(decrease) in creditors	**(7)**	87
Net cash provided by / (used in) operating activities	**491**	260

25 Cash flows from financing activities

^Discussed at paragraph 2.121 of the Direction.

	2025/26 £000	2024/25 £000
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Net cash provided by / (used in) financing activities	-	-

26 Cash flows from investing activities

^Discussed at paragraph 2.121 of the Direction.

	2025/26 £000	2024/25 £000
Dividends, interest and rents from investments	**6**	5
Proceeds from sale of tangible fixed assets	-	-
Purchase of intangible fixed assets	**(9)**	-
Purchase of tangible fixed assets	**(391)**	(1,578)
Capital grants from DfE Group	**200**	1,224
Capital funding received from sponsors and others	**344**	344
Net cash provided by / (used in) investing activities	**150**	(5)

27 Analysis of cash and cash equivalents

^Discussed at paragraph 2.121 of the Direction.

	2026 £000	2025 £000
Cash in hand and at bank	**896**	255
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	**896**	255

28 Analysis of changes in net debt

^Discussed at paragraph 2.121 of the Direction.	At 1 September 2025 £000	Cash flows £000	Acquisition / disposal of subsidiaries £000	New finance leases £000	Other non-cash changes £000	At 31 August 2026 £000
Cash	255	641	-	-	-	896
Cash equivalents	-	(x)	-	-	-	x
Overdraft facility repayable on demand	(-)	(-)	-	-	-	(-)
		(x)				
Loans falling due within one year	(-)	(-)	(-)	-	-	(-)
Loans falling due after more than one year	(-)	(-)	(-)	-	(-)	(-)
Finance lease obligations	(-)	-	(-)	(-)	-	(-)
Total	**(x)**	**(x)**	**(-)**	**(-)**	**-**	**(x)**

The format of this note is taken from the SORP, it is not expected that academy trusts will have overdrafts.

29 Guarantees, letters of comfort and indemnities [if arising]

Disclose the total value of any guarantees, letters of comfort and indemnities provided by the academy trust during the year, plus individual disclosure of any instances above £5,000, if arising, in accordance with the Academy Trust Handbook 2025 [paragraphs 5.3 and 5.19].

Academy trusts may wish to disclose prior year comparatives if it is thought they would be useful to the reader of the financial statements.

30 Contingent liabilities

^Discussed at paragraph 2.141 of the Direction.

If a contingent liability arises, disclosures must include:

- a brief description of the nature of the contingent liability (and where practical):
- an estimate of its financial effect
- an indication of the uncertainties that exist
- the possibility of any reimbursement.

Disclose the prior year position as a comparative with an update, where relevant.
Where it is not practicable to disclose the above points, a statement to that effect must be made.

31 Member 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 **£[insert amount as stated in memorandum and articles of association]** for the debts and liabilities contracted before he/she ceases to be a member.

32 Pension and similar obligations

^Discussed at paragraphs 2.115 and 2.140 of the Direction.

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 [**insert name**]. Both are multi-employer defined benefit schemes.

Academy trusts will need to obtain valuations of defined benefit obligations in respect of the LGPS from the relevant scheme actuary. Such valuations should be carried out in accordance with ^section 28 of FRS 102.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS to the period ended 31 March 2025.

Either state:

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

Or:

Contributions amounting to £20,000 were payable to the schemes at 31 August 2026 (2024/25: £20,000) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

*The result of this valuation was implemented on 1 April 2024.The next valuation result is due to be implemented from 1 April 2027.

Academy trusts should disclose the total pension contributions payable to the Teachers' Pension Scheme during the period.

The employer's pension costs paid to TPS in the period amounted to £XXX (2024/25: £XXX).

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

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

Local Government Pension Scheme

The figures included in this section are illustrative only and cover an academy trust with one local government pension scheme fund.

Trusts with multiple academies may have academies across more than one local government pension scheme fund. Where this arises the academy trust has some discretion over the amount of aggregation it applies in its pensions note.

^Under FRS 102 [section 28] an employer with more than one defined benefit pension scheme (and by extension more than one LGPS fund) can determine the level of separate disclosure which is considered most useful. The disclosures can either be made in total, separately for each scheme/fund or grouped as considered appropriate.

Within the financial statements, narrative should be included to describe each of the different schemes. If the assumptions used vary between the schemes this should be indicated in the notes.

The other FRS 102 disclosures required can be grouped together unless the academy trust decides to include the details of each scheme separately.

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 2026 was £301,000 (2025: £250,000), of which employer's contributions totalled £250,000 (2025: £201,000) and employees' contributions totalled £51,000 (2025: £49,000). The agreed contribution rates for future years are X per cent for employers and Y per cent for employees.

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

Additional disclosure should be made where the scheme is in deficit and the entity has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels, including the number of years over which it is anticipated that the additional contributions will be paid.

Principal actuarial assumptions	**2026**	**2025**
Rate of increase in salaries	**4.00%**	4.40%
Rate of increase for pensions in payment/inflation	**2.80%**	2.90%
Discount rate for scheme liabilities	**5.90%**	5.80%
Inflation assumption (CPI)	**2.70%**	2.90%
Commutation of pensions to lump sums	**50.00%**	50.00%

The FRC Reporting Statement 'Retirement Benefits' recommends that disclosure should include a sensitivity analysis for the principal assumptions used to measure scheme liabilities, showing how the measurement of scheme liabilities would have been affected by changes in the relevant assumption that were reasonably possible at the balance sheet date.

Academy trusts are requested to make sensitivity disclosures in £000s, rather than as a percentage of the pension liability, to support the consolidation of these disclosures. The academy trust's actuaries should be able to supply disclosures in this format.

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

	2026	**2025**
Retiring today		
Males	**21.3**	21.2
Females	**24.2**	24.0
Retiring in 20 years		
Males	**22.6**	22.4
Females	**25.3**	25.1

Sensitivity analysis	**2026**	**2025**
	£000	£000
Discount rate +0.1%	**x**	x
Discount rate -0.1%	**x**	x
Mortality assumption – 1 year increase	**x**	x
Mortality assumption – 1 year decrease	**x**	x
CPI rate +0.1%	**x**	x
CPI rate -0.1%	**x**	x

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

	2026 £000	**2025 £000**
Equities	**1,356**	1,166
Gilts		
Corporate bonds	**1,218**	954
Property	**165**	159
Cash and other liquid assets	**-**	-
Derivatives	**-**	-
Investment funds	**-**	-
Asset backed securities	**-**	-
Other	**-**	-
Total market value of assets	**2,739**	2,279

The actual return on scheme assets was £100,000 (2025: £100,000).

Amount recognised in the Statement of Financial Activities

	2025/26 £000	2024/25 £000
Current service cost	**(260)**	(254)
Past service cost	**-**	-
Interest income	**10**	10
Interest cost	**(18)**	(22)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	**-**	-
Admin expenses	**-**	-
Total amount recognised in the SOFA	**(268)**	(266)

The amount recognised for benefit changes, the gain/(loss) on curtailment and the gain/(loss) on settlement, need only be disclosed in aggregate, but could be disclosed separately if material.

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

	2025/26 £000	2024/25 £000
At 1 September	**3,333**	-
Conversion of academy trusts	**-**	2,554
Transferred in on existing academies joining the academy trust	**-**	-
Transferred out on existing academies leaving the academy trust	**-**	-
Current service cost	**260**	254
Interest cost	**100**	150
Employee contributions	**51**	49
Actuarial (gain)/loss	**400**	314
Benefits paid	**-**	-
Losses or gains on curtailments		
Past service cost		
Unfunded pension payments		
Effect of non-routine settlements	**8**	12
At 31 August	**4,152**	3,333

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

	2025/26 £000	2024/25 £000
At 1 September	**2,279**	-
Conversion of academy trusts	**-**	1,720
Transferred in on existing academies joining the academy trust	**-**	-
Transferred out on existing academies leaving the academy trust	**-**	-
Interest income	**78**	128
Actuarial gain/(loss)	**81**	181
Employer contributions	**250**	201
Employee contributions	**51**	49
Benefits paid	**-**	-
Effect of non-routine settlements		
At 31 August	**2,739**	2,279

Where relevant, include here a reconciliation or an explanation of the extent to which any LGPS surplus has/has not been recognised ^(consistent with FRS 102 section 28.22) in the financial statements as a pension asset, i.e. including where the net asset value has been restricted.

33 Related party transactions

^Discussed at paragraphs 2.162 to 2.177 of the Direction.

Continues….

As described in the ^SORP [module 9] disclosure of certain transactions is important for stewardship purposes to provide assurance that the academy trust is operating for the public benefit and that its trustees are acting in the interest of the academy trust and not for private benefit. The SORP regards all related party transactions as material.

Related party transactions are generally those that may involve some degree of direct or indirect control or influence. Academy trusts must therefore ensure that their accounts contain the disclosures necessary to draw attention to the possibility that the reported financial position and results may have been affected by the existence of related parties and by transactions with them (this would include transactions with any group companies). Under the SORP, the exemption to exclude intracompany transactions from related party disclosures is not allowed.

Transactions with related parties must be disclosed fully and openly so that the users of the accounts can gain a proper understanding of them, and any issues that might have influenced them. Some transactions may attract public interest, and so disclosure provides accountability and transparency to the public and demonstrates that potential conflicts of interest are being identified and managed.

In accordance with the SORP, disclosure of related party transactions must include:

- the names of the related parties
- a description of the relationship between the parties
- a description of the transactions (for example service level agreements and contracts of employment).
- the amounts involved
- the amounts due to or from the related parties at the balance sheet date, and any provision for doubtful debts or amounts written off.
- details of any guarantees given/received.
- terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement.
- other elements of the transactions which are necessary for the understanding of the accounts.

Academy trusts must also indicate how they have managed the transaction, for example by describing the procurement process they have followed and demonstrating that it has been dealt with even-handedly. Where goods or services exceed £2,500, academy trusts must ensure that the element above £2,500 is provided at no more than cost and is supported by a statement of assurance from the related party confirming this.

The note should include any transaction with connected charities that meets the definition of section 28 of schedule 3 of the Charities Act 2011.

DfE brought in new requirements for all transactions made on or after 1 April 2019, which were updated in June 2023. These are explained in the ^Academy Trust Handbook 2025 [paras 5.41 to 5.44]. Academy trusts must report all transactions with related parties to DfE in advance of the transaction taking place. Academy trusts must obtain DfE approval for transactions that are novel, contentious and/or repercussive and for contracts for the supply of goods or services to the academy trust by a related party where certain limits apply.

Disclosure is illustrated below.

^The SORP [paragraph 9.21] states that academy trusts must not make statements that related party transactions were made at open market value or at arm's length unless this can be substantiated.

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

Expenditure related party transactions

DEF Limited – a company in which Mr C J Goodyear (a trustee) has a majority interest:

- The academy trust purchased computer equipment from DEF Limited totalling £45,000 (2025: £nil) during the period. There were no amounts outstanding at 31 August 2026 (2025: £nil)
- The academy trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which Mr Goodyear neither participated in, nor influenced.
- In entering into the transaction, the academy trust has complied with the requirements of the Academy Trust Handbook.
- The element above £2,500 has been provided 'at no more than cost' and DEF Limited has provided a statement of assurance confirming this.

J Sheraton, spouse of T Sheraton, a trustee, is employed by the academy trust as a teacher. J Sheraton's appointment was made in open competition and T Sheraton was not involved in the decision-making process regarding appointment. J Sheraton is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

Consideration should be made whether to disclose the salary and whether further disclosure is required to fully reflect the circumstances of this related party transaction.

Examples of some of the common types of related party in the academy sector are listed in the ^Direction in paragraphs 2.171 and 2.172.

All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying DfE 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.

Income related party transactions

- During the year Mr J Hart, a member of the academy trust, donated £100,000 to the academy trust.

Where an academy trust receives more than one donation and each one is unrestricted, FRS102 permits disclosure as an aggregate figure, providing that such aggregation does not obscure significant information.

Alternatively, if no related party transactions arose during the period, this must still be stated:

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

34 Agency arrangements [if arising]

^Discussed at paragraphs 3.131 to 3.135 of the Direction.

Provide details in accordance with the ^SORP [module 19] if arising. An illustrative disclosure is included in ^paragraph 3.132 of the Direction and prior year comparatives are to be included.

35 Academy trust boarding trading account [if required]

^Discussed at paragraph 2.188 of the Direction.

Figures are included to illustrate the layout only. Where boarding activity arises, it should also be reflected in the SOFA, balance sheet, statement of cash flows and other relevant notes.

			2025/26			2024/25
	£000	£000	£000	£000	£000	£000
Income						
Fee income		890			900	
Grants		15			30	
Other income		49			50	
			954			980
Expenditure						
Direct costs						
Goods and services	281			275		
Other direct costs	201			205		
Bad debt write-offs	-			-		
Total direct costs		482			480	

Staff costs	170		163	
Utilities	111		110	
Rent and rates	58		60	
Insurance	25		25	
Security	9		9	
Buildings maintenance	38		40	
Depreciation	17		21	
Other indirect costs	6		6	
Total indirect costs		434		434
Stock costs				
Opening stock	12		12	
Less closing stock	(12)		(12)	
Stock adjustment		-		-
Total operating costs		916		914
Surplus/(Deficit) on boarding		38		66
Surplus/(Deficit) brought forward at 1 September 2025		66		-
Surplus/(Deficit) carried forward at 31 August 2026		104		66

36 Academy trust with a newly converted academy

^See paragraph 3.80 of the Direction for a model format of the note.

Academy trusts must show the fair values of the identifiable assets and liabilities transferred and provide an analysis of their recognition in the SOFA. Include any relevant additional details of the nature and terms of the transfer agreement, e.g., lease terms including the period of the lease.

A separate table should be included for each academy that converted during the period.

37 Transfer of existing academies into the academy trust

^See paragraph 3.85 of the Direction for model format of the note.

Academy trusts are expected to agree the details of assets transferring between them, and to be able to reconcile the movements between assets and liabilities as disclosed in the transferring academy trust to amounts recognised by the receiving academy trust. Figures reported should agree to the relevant notes of the financial statements.

Details on these adjustments are required for the consolidation of the academy sector. Explanations should be provided for the principal adjustments. Typically, separate disclosures should be made for each academy transferring in.

38 Transfer out on academies leaving the academy trust

^See paragraph 3.90 of the Direction for a model format of the note.

Academy trusts are expected to agree the details of assets transferring between them, and to be able to reconcile the movements between assets and liabilities, as disclosed in the transferring academy trust, to amounts recognised by the receiving academy trust. Figures reported should agree to the relevant notes of the financial statements.

Typically, separate columns of disclosures should be presented for each academy transferring out.

39 Events after the end of the reporting period

^See paragraph 2.189 of the Direction.

Provide details in accordance with FRS 102 [section 32] if arising.

Comparatives are to be shown, even if nil.

Department for Education

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