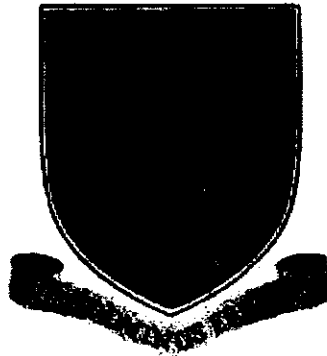


Kirkbie Kendal School Academy Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2024



Company Registration Number: 07543834
(England & Wales)

Kirkbie Kendal School Academy Trust

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Reference and Administrative Details

The Trustees, who are also directors for the purposes of company law, present their report and the financial statements of the company for the period ended 31 August 2024.

		Appointed	Resigned
Members	Mrs S Parnaby (Chair) Mr P Braithwaite Mrs J Summerfield		
Governors who are directors	Mr D Bennett Mr P Braithwaite Mr G Brooke Dr N Brown Mrs S Calderbank Mrs N Chetwood (Staff Governor) Mr L Conway Ms J Donald (Staff Governor) Mr G Hollis Mr M Harris Mr C Hine Mrs S Parnaby Mrs J Summerfield Mrs M D Thompson	25/01/2024	06/03/2024
Company Secretary	Mrs B Price		
Senior Management Team			
• Headteacher / principal	Mr M Harris		
• Deputy Headteacher	Mrs C Barker		
• Deputy Headteacher	Mr M Bousfield		
• Assistant Headteacher	Mr J Shepherd		
	Mr A Hebson		
• Business Operations Manager	Mr M Blackburn		
Company Name	Kirkbie Kendal School Academy Trust		
Principal and Registered Office	Lound Road Kendal Cumbria LA9 7EQ		
Company Registration Number	07543834		

Reference and Administrative Details (continued)

Independent Auditor	Saint and Co The Old Police Station Church Street Ambleside Cumbria LA22 0BT
Bankers	Barclays Bank PLC Highgate Kendal Cumbria
Solicitors	Thompson Hayton Winkley 25 Crescent Road Windermere Cumbria LA23 1BJ

Governors' Report

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2023 to 31 August 2024. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in and around Kendal in Cumbria. It had a net pupil capacity of 1060 and had a roll of 1036 in the school census on 3 October 2024.

Structure, Governance and Management**Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the academy trust. The governors act as the trustees for the charitable activities of Kirkbie Kendal School Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Kirkbie Kendal School.

The governors / directors of the academy are made up of volunteers who meet regularly through three committees; finance, audit and property, curriculum and pay and performance management. These committees report to the full governing body each term. The management and running of the school is delegated to the headteacher and the senior leadership team.

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

Members' Liability

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

Governor's Indemnities

The governors / directors of the academy trust are covered by indemnity insurance paid for by the trust.

Method of Recruitment and Appointment or Election of Governors

The governors carried out the following procedure:

- The Governors undertake a skills audit of their individual skills and development needs together with a review of the overall effectiveness of the Governing Body. These documents are used to identify individual and collective training needs, improved ways of working and Governor recruitment. In the past year one Governor has been appointed direct, covering skills gaps in IT/communications. Training and awareness raising sessions have been held in safeguarding, preparations for Ofsted review, attendance and pupil progress initiatives.
- If suitable candidates are identified, they would be approached by the Governance Professional.

For parent / staff recruitment:

- Inform all parents and /or staff of the vacancy.
- Request nominations are put forward.
- Establish the candidate's suitability.
- Hold a ballot of parents / staff.

Policies and Procedures Adopted for the Induction and Training of Governors.

New governors are assigned a mentor who is an experienced governor, supplied with an induction pack of relevant information, and encouraged to attend governor training courses. They are then attached to the relevant committee that provides the best use of their individual skills and knowledge, which is identified through a skills audit. Individual Governors access other training through our NGA membership, SLF courses or local authority sponsored events. Two of our Governors are completing NSPCC Safer Recruitment training, totalling three Governors with safer recruitment training.

Governors' Report (continued)**Organisational Structure**

The management structure consists of three levels, the governors, the school's leadership team and middle managers. The aim of the management structure is to develop responsibility and encourage the involvement of decision making at all levels.

The headteacher is the accounting officer of the academy trust; the day to day management of the school is delegated by the governors to the headteacher and the leadership team, all financial decisions are delegated in line with the scheme of delegation.

The governors are responsible for setting the strategic direction of the school, adopting the school development, general policies and the financial budget. The governors also monitor the school's performance, and appoint senior staff.

The current leadership team comprises:

- | | |
|-------------------------------|----------------|
| • Headteacher | Mr M Harris |
| • Deputy Headteacher | Mrs C Barker |
| • Deputy Headteacher | Mr M Bousfield |
| • Assistant Headteacher | Mr A Hebson |
| • Assistant Headteacher | Mr J Shepherd |
| • Business Operations Manager | Mr M Blackburn |

The leadership team manages the school at an executive level, implementing the policies laid down by the governors and reporting back to them.

Management of the school is delegated to the headteacher.

The headteacher and leadership team meet twice a week as a group. Individual line management meetings between the leadership team and headteacher happen weekly.

The headteacher will also meet with the representatives of the professional associations and trade union representatives when necessary and has scheduled meetings three times a year..

The headteacher and leadership team are responsible for the authorisation of spending within agreed budgets and the appointment of staff. The middle management team includes heads of curriculum departments, pastoral year heads and administrative and support department team leaders, some spending is devolved to them within set budgets. These managers are responsible for the general day to day operation, organising staff, facilities and students.

Arrangements for setting pay and remuneration of key management personnel

The members of the senior leadership team undergo an annual performance management process. Objectives are set at the start of each academic year and monitored throughout the year. An end of year review is undertaken by the Headteacher and then shared with the Pay and Performance committee.

The Headteacher has a similar process with an independent performance management review. This review is then shared with the governors Headteacher review panel.

Following the successful reviews, the Governors Pay and Performance committee recommend any pay progression.

All other staff pay is reviewed using the schools pay and performance policy and determined by the Governing body.

Trade union facility time

The Academy has no relevant union officials.

Governors' Report (continued)**Related parties and other connected charities and organisations**

Kirkbie Kendal School is a member of South Lakes Federation of schools. The federation is made up of nine secondary schools, one special school, one college of further education and a university. The federation is described as a loose federation, and all members work in collaboration with each other.

The Kendal Collaborative Partnership was formed by the primary schools of Kendal, which both Kendal secondary schools are members, and works towards improving collaboration at primary level, developing and supporting the transfer of students to the secondary school environment.

Kirkbie Kendal School Association is the school's parent teacher association, and governors work closely with members with their regular activities.

Please see notes to the financial statements regarding governor related parties and transactions.

Objectives and Activities**Objects and Aims**

The academy trust's object is specifically restricted to the provision to advance for the public benefit education in the United Kingdom, by establishing and managing the school and promoting a broad and balanced curriculum.

The academy trust's principle objective and activity of the academy trust is the education of students from a wide range of abilities between the ages of 11 to 19.

In accordance with the company's articles of association the academy trust has adopted a funding agreement approved by the secretary of state for education. The funding agreement specifies, amongst other things, the basis for admitting students, the catchment area, and that the curriculum should comply with the substance of the national curriculum.

Objectives, Strategies and Activities

The main objectives during the year ending 31 August 2024 were:

- That all the school's business was conducted to the highest possible standards, integrity, probity and openness.
- To comply with all statutory legislation and curriculum requirements.
- To promote the school's values of Care, Hard Work, Resilience and Curiosity.
- Every student achieves the best that they possibly can.
- To ensure every student enjoys the same high quality of education.
- Raise the standards of achievement for all students.
- To continue to improve the school's effectiveness by continued self-assessment.
- Provide value for money.
- Maintain and build on the close links with local business.

Governors' Report (continued)**Strategies**

The academies' ethos is to continue to develop our students into young men and women who are ready to meet the challenges of the world today with confidence and who are pleasant and well-rounded and friendly individuals.

Activities provided include:

- Training opportunities for all staff.
- Learning opportunities for all students to attain the appropriate academic qualifications.
- Tailored academic pathways to suit student requirements.
- Extensive programmes of sporting activities for all students.
- Lunch time and after school activities and clubs to enrich the school curriculum.
- Activities to all students to enhance and improve their support of others.
- Community programmes and activities to enrich all students' education.

The academy trust aims to establish equal opportunity in all the areas of its activities, to develop and enhance the working environment where everyone's contribution is valued. The academy trust supports the recruitment and retention of both students and staff with disabilities.

Public Benefit

The trustees of Kirkbie Kendal School confirm that they have complied with their duty, following the guidance on public benefit in the Charities Act 2011 in exercising their powers or duties.

Our successes are built upon the efforts of highly qualified, hardworking and enthusiastic staff, well-motivated students and very supportive parents and a committed Governing body with a strong connection with the local community.

The school has a very high quality pastoral care system and is a focus for wider community educational activities. We continue to generate better educational programmes for all our students as well as improving our transitional activities for students joining Kirkbie Kendal school.

We value highly all our contact with parents, as a successful education is a partnership between parents, students and school. By working together we meet our aim of ensuring that all students who attend Kirkbie Kendal School will find it challenging, caring and will enjoy their time here and achieve the very best that they can.

Strategic Report

Alongside a team of committed Governors, the teachers and support staff have enabled the school to provide a high quality of education. The progress the students have made this year has been outstanding. As well as excellent examination results, students in all years have consistently demonstrated their commitment to the school values. They have, for example, raised thousands of pounds for charity.

Achievements and Performance

The Academy's ethos has traditional values of care, hard work, resilience and curiosity at its heart, coupled with high expectations, a desire to learn and the knowledge that however good we are, we can and we want to improve. With this in mind the academy's aim is to encourage our students to achieve the best they possibly can and to develop into young men and women who are ready to meet the challenges of the 21st century with confidence and who are pleasant and well-rounded and friendly individuals.

Key Performance Indicators**Examination Results**

Examination results at both GCSE and A level remain excellent. At GCSE the projected Progress 8 score is +0.12 with 68% of students achieving Grade 4 in both En and Ma. At A level 30% of grades achieved were A/A*. Our students have performed exceptionally well due to their hard work and the hard work of their teachers and support staff.

Governors' Report (continued)

GCSE RESULTS 2024

Subject	Entries	4+ (A*- C) (%)	7+ (A*A) (%)
Art & Design	37	81.1	18.9
Biology	60	100	43.3
Business Studies	74	50	8.1
Chemistry	59	100	44.1
Computing	22	40.9	9.1
Dance	16	81.3	6.3
Design & Technology	43	81.4	18.6
Drama	16	37.5	6.3
English Language	166	77.1	16.3
English Literature	164	76.8	11.6
Food	39	69.2	25.6
Geography	102	64.7	16.7
German	75	85.3	17.3
Health & Social Care	25	84	32
History	68	72.1	25
iMedia	41	56.1	9.8
Italian	2	100	100
Mathematics	167	84.4	24
Music	22	95.5	36.4
PE	23	95.7	43.5
Physics	59	100	39
Religious Studies - Full GCSE	23	78.3	13
Science Combined Award	105	70	2.4
Spanish	3	100	100
Sport (National Diploma)	11	72.7	18.2

Summary of GCSE Results

Students (percentage)		4+ in English and Maths	7+ in English and Maths
Boys	52%	80%	9%
Girls	48%	68%	14%
All Students	186	74%	11%

Governors' Report (continued)

SUMMER GCE 'A' LEVEL SUMMARY

A Level The number of students was 68
 % of grades at A* - E = 99%
 % of grades at A* - B = 55%
 % of grades at A* - C = 84%

Subject	Entries	A*/A	B	C	D	E
Art	11	3	4	3	1	
Biology	10	2	3	1	2	1
Business Studies	27	4	6	12	4	1
Chemistry	12	7	3	2	-	-
Drama	12	-	2	7	2	1
English Language	18	4	5	7	2	-
English Literature	11	3	4	2	2	-
Geography	17	3	3	8	2	1
History	12	1	4	4	3	-
Further Maths	4	2	1	1	-	-
Mathematics	21	14	3	3	-	-
Physics	8	6	2	-	-	-
Persian	1	1				
Psychology	20	1	6	5	4	3
Product Design	7	1	3	2	1	-
Sociology	26	2	8	8	7	1
	162	54	57	65	30	7

SUMMER 2024 DIPLOMA SUMMARY

Subject	Entries	D*/D	M	P
Sport	12	11	1	-
Health & Social Care	11	10	1	-
Music	9	3	6	-
Music	3	3	-	-

Key Financial Performance Indicators

The governors will continue to monitor the academy's performance through regular reviews and monthly, quarterly and annual reports. To assist with this monitoring a number of key performance indicators will be identified, these indicators may be reviewed and revised so as to ensure that relevant information is provided.

Further performance review will be undertaken with benchmarking with other South Lakes Federation schools.

	2024	2023	2022	2021
Ratio of FTE staff to students.	10.23	11.2	10.18	9.77
Ratio of teaching staff FTE to students	18.28	20.11	19.26	17.59
Gender Ratios	2023		2024	
	Male	Female	Male	Female
Teachers	25	39	25	40
Support	12	47	13	49

Governors' Report (continued)

Going Concern

After making appropriate enquiries, the governing body has every expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future.

Retention of students to the 6th form was excellent, and student choice for the new year 7 in September 2023 was again over subscribed, which means the school continues to prosper.

For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

Financial Review

The Academy Trust's accounting period is 01 September 2023 to 31 August 2024.

The academy trust was funded by the general academy grant which was paid directly by the Education and Skills Funding Agency (ESFA). Grants are also received from Cumbria County Council relating to students special educational needs.

Income was also raised from community associations and local business for the hire of the school premises and sports facilities.

Total funds received at 31st August 2024	7,890,115
Total funds expended at 31st August 2024	7,893,929

During the year, the school received total revenue funding of £7,407,453, of which £6,104,357 was from the DfE in the form of GAG funding (82%). In addition the school received capital funding of £459,410.

Revenue expenditure was £7,183,286 of which staffing is the main area of cost at £5,723,912. (80%)

At 31st August 2024 the academy trust held fund balances of:

Restricted funds	521,014
Unrestricted funds	236,465
Restricted fixed asset funds	7,715,013
Pension surplus / deficit recognised	-
	<u>8,472,492</u>

Other notable balances at 31 August 2024:

Cash balances held	983,136
Conditional Improvement Funds (CIF)	311,688

Governors' Report (continued)**Reserves Policy**

The governors will continue to review, monitor and agree the levels of reserves the academy trust holds in line with government guidelines. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves. It is the Governing Body's general policy to continue to build reserves which can be used for future educational purposes.

The Academy had total funds at 31 August 2024 of £8,472,492 which included £521,014 on restricted funds not available for general purposes of the Academy Trust. There is an additional £236,465 of free reserves defined as unrestricted funds available for general purposes, therefore there is an overall net surplus of £757,479 and £7,403,325 which is held as tangible fixed assets.

Funds in Deficit

None

The Governors have designated certain funds which include the following:

- Cinderovens sports facility fund has been designated for the maintenance and replacement of the all-weather pitch this year.
- Building projects fund has been designated for future building projects at the governor's discretion.

Investment Policy

The available funds for the academy trust dictate the investment policy. Cash balances are held within main stream banks and building societies with a strong ethical and environmental profile.

Principal Risks and Uncertainties

The academy's main funding comes from the ESFA and this funding is based on the census student numbers. Measures are in place to market the school to ensure that student numbers are maintained. The intake to year 7 in September 2023 has been excellent with the school being over subscribed. Staffing is a major cost to the academy and the curriculum is closely monitored to ensure that staffing resources are maximised. Student numbers are consistent over the next few years and future primary numbers indicate that this will continue to be the case. The Finance, Audit and Property Committee continue to monitor both student numbers and staffing levels on a regular basis.

Trust estate management

Extensive work has been carried out on the main boilers in the school which will deliver better heating and significant savings. This has been managed through a CIF funding bid.

Financial and Risk Management Objectives and Policies

The academy's exposure to credit, cash flow and liquidity risks are minimised by the very nature of the trust activities. Grant funding is received at the beginning of each month, which ensures a positive cash flow throughout the financial year, due to student lagged funding this has been closely watched over the year. Income from other sources, are not a large part of the trusts income and therefore do not form a significant credit risk. Bank balances are positive and the academy holds cash reserves.

It is the Governors objective to maintain suitable cash reserves whilst expending the grant funding received in that year on the education of the students. The level of reserves is discussed annually.

Principal Funding Sources

The majority of the academy's income is obtained from the Education and Skills Funding Agency (ESFA) and the Local Authority in the form of grants, the use of which is restricted to particular purposes.

Governors' Report (continued)

Fundraising

The School receives donations from a number of other parties, including but not limited to Kirkbie Kendal School Association and The Trustees of Kirkbie Kendal School (Charity number: 526961). The School does not actively fund raise but welcomes these donations.

Plans for Future Periods

The academy trust will continue to improve the levels of performance of all its students so that they can achieve the best they possibly can.

The academy trust will continue to market the school to maintain its share of available student intake, by developing and working collaboratively with the South Lakes Federation and the Kendal Collaborative Partnership.

Work to encourage our more able students to follow the extended programme qualification and the elite pathways programme to maintain recruitment to the sixth form.

The school's development and action plans set out targets for student achievement, teaching standards and utilisation of resources.

The school continues to explore deeper collaboration with other schools and the governors maintain a watching brief over the possibility of becoming part of a MAT.

Funds Held on Behalf of Others

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in notes

Auditor

Insofar as the trustees are aware:

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

The Governors' report, incorporating a strategic report, was approved by the Governors and signed on its behalf by:

S. A. Parnaby.

Mrs S Parnaby
Chair of Governors and Academy Trustee

11/12/24

Date

Governance Statement

Scope of Responsibility

As governors we acknowledge we have overall responsibility for ensuring that the academy trust has an effective and appropriate system of control, financial and otherwise. A number of systems, especially in the areas relating to teaching, health and safety, school trips and financial control have been implemented. Vetting of new staff is carried out along with systems to identify and supervise visitors to the school.

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 governance handbook and competency framework has been reviewed and are taken into account when fulfilling governance function.

The governors have delegated the day-to-day responsibility to the headteacher, as accounting officer and the schools business manager 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 Kirkbie Kendal School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body through the Finance and Property Committee any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities.

The **Governing Body** has formally met four times, the pay & performance committee three times, the curriculum committee four times and the finance and property committee four times.

Attendance during the year 1 September 2023 - 31 August 2024 was as follows:

Governor	Full Board		P&PM		Curriculum		FAP	
	possible	attended	possible	attended	possible	attended	possible	attended
Mr D Bennett (Chair Curriculum)	4	4	N/A	N/A	4	4	N/A	N/A
Mr P Braithwaite (Chair, P&PM)	4	3	3	3	N/A	N/A	N/A	N/A
Mr G Brooke	4	3	N/A	N/A	N/A	N/A	4	4
Dr N Brown (resigned 06.03.24 pre-FGB meeting)	2	1	N/A	N/A	2	2	N/A	N/A
Mrs S Calderbank	4	3	N/A	N/A	4	3	N/A	N/A
Mrs N Chetwood	4	2	N/A	N/A	4	4	N/A	N/A
Mr L Conway	4	3	3	2	N/A	N/A	4	4
Ms J Donald	4	1	N/A	N/A	4	4	N/A	N/A
Mr M Harris	4	4	3	3	4	4	4	4
Mr C Hine	4	3	3	3	N/A	N/A	N/A	N/A
Mr G Hollis (appointed 25.01.24)	2	2	1	1	2	2	3	2
Mrs J Summerfield	4	3	3	3	N/A	N/A	N/A	N/A
Mrs S Parnaby (Chair of Governors)	4	4	3	2	4	4	4	3
Mrs D Thompson	4	4	N/A	N/A	2	2	1	1

Members

	Members	
	possible	attended
Mr P Braithwaite (Chair, P&PM)	1	1
Mrs J Summerfield	1	1
Mrs S Parnaby (Chair of Governors)	1	1
Mr M Harris (Headteacher in attendance)	1	1

Board of Trustees work, performance and changes in composition

The full schedule of meetings has taken place with a renewed focus on the future of KKS as a Single Academy Trust. Work on this will continue in to the new academic year. The governing body has been kept informed of the work of the school by the Headteacher and other members of the Senior Leadership Team at the various committees. The governors have visited school to gain a greater understanding to enable them to challenge and support the school. Regular data has been shared about financial performance, academic performance, attendance and behaviour.

Governance Statement (continued)

Conflicts of interest

The academy maintains an up-to-date and complete register of interests, this is updated at each governors meeting. This informs any purchases made and is considered in the day-to-day management and governance of the academy trust. The academy does not own or control of any subsidiaries, joint ventures or associates.

Meetings

The academy meets the requirements of Paragraph 2.3 of the Academy Trust Handbook 2021 and therefore meets regularly enough to discharge their responsibilities and ensure robust governance and effective management arrangements. The governors met a total of 16 times during the year.

Governance Review

The Governors continue to review their own performance, this on-going review forms the Governing body's action plan which is updated in September each year.

Finance, Audit and Property committee

The Finance, Audit and Property committee is a sub-committee of the main board of governors. (This includes the Audit and Risk Committee). Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources. The committee will assist with the proper planning and monitoring of financial matters and makes appropriate comments and regular recommendations on such matters to the governing body. The title of the committee has been to reflect the inclusion of the Audit Committee as part of this committee.

Attendance at the meetings in the year is shown above.

Curriculum committee

The Curriculum committee is a sub-committee of the main board of governors. Its main purpose is to be responsible for advising the main board of governors on details relating to the design, delivery and performance of the curriculum. It also reviews the exam results and discusses the individual subject performance and monitors the progress with individual action plans. The committee will identify areas for improvement and report regularly to the main board of governors.

Attendance at the meetings in the year is shown above.

Pay and Performance committee

The pay and performance committee is a sub-committee of the main board of governors. Its main purpose is to be responsible for advising the main board of governors relating to staff employed by the academy trust. The committee monitors staff performance and identify areas of improvement reporting regularly to the main board of governors.

Attendance at the meetings in the year is shown above.

Governance Statement (continued)**Review of Value for Money**

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

Value for money is about achieving the best educational outcomes through the, efficient and effective use of all the resources available to the school.

Resources are directed where they are most needed and most effective to meeting our educational requirements.

Targeted improvement

- Resources including staffing are targeted in key subject areas, such as English and Maths, with performance closely evaluated. The school has taken advantage of all the funding available through the NTP scheme to support as many of our students as possible. We are always on the look out for funding streams to support our students.
- Monitoring and supporting the performance of all staff and ensuring that the relevant action is taken to address any weakness.

Focus on individual students

- Monitoring the needs of individual and particular students and ensuring that the support they receive is relevant to them.
- Identifying particular student groups i.e. pupil premium, SEND and providing tailored and relevant support.

Collaboration

- We work closely with other schools and in particular, the South Lakes Federation of school (secondary) and the Kendal primary schools through the Kendal Collaborative Partnership.

Quantifying improvements

- Students are closely tracked throughout the year groups and across key stages.

Best value is always looked for in any contractual arrangement. The school spent the energy efficiency grant improving the energy efficiency as well as the quality of lighting in some areas of the school as well as replacing old inefficient projectors with newer more efficient display options.

Value for money is achieved in purchasing through:

- Fitness for purpose.
 - Consideration of different suppliers both online and through catalogues to find best value.
- Benchmarking.
 - Working and sharing with the other South Lakes Federation of schools, and other local schools, joint procurement and sharing best practice.
 - Comparing costs and prices through the South Lakes Federation Business Manager's group.
- Options appraisal.
 - Consideration of whether the purchase is really necessary, or if there is a more cost efficient alternative available.
 - Tendering for major contracts and services and building works, alternative costs are obtained in accordance with the financial procedures and scheme of delegation.
- Economies of scale.
 - Looking at alternative joint and group procurement to obtain group discounts.
 - Sharing information and joint use of staff with local schools.

We recognise the need to closely monitor costs, monthly financial reports are prepared and shared with the school's leadership team. The staffing structure and time table are carefully structured to ensure maximum use of available staff whilst meeting our operational needs.

Governance Statement (continued)**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kirkbie Kendal School Academy Trust for the period 01 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The governors review 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 governors are 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 year ending 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governors, revised in accordance with audit and other recommendations.

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 governors;
- regular reviews by the Finance, Audit and Property committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

Governance Statement (continued)**Internal Scrutiny**

For the year ended 31 August 2024, a peer review was again performed by the Business Manager from Cartmel Priory School. The peer reviewer was independent of the trust and looked at the risk management procedures and other controls. The Governors are aware of the revised FRC Ethical Standard for auditors which states that a firm providing external audit to an entity shall not also provide internal audit services to it. In addition, the Governors appointed Stables, Thompson and Briscoe to perform two additional programme of works on the internal financial controls during the spring and summer terms.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

Internal scrutiny is discussed at each meeting of the Finance, Audit and Premises Committee on the operation of the financial systems of control and on the discharge of the board of trustees' financial responsibilities.

The internal auditor has delivered their schedule of works as planned and any recommendations have been considered.

This option has been chosen because it delivered the appropriate level of scrutiny of internal processes. All issues identified will be actioned.

Review of Effectiveness

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

- The work of the internal auditor;
- The financial management and governance self-assessment process;
- Monthly financial reports;
- Weekly meetings with the school's business manager;
- a revised financial management manual;
- The work of budget holders and members of the senior leadership team.

The governors will review any recommendations made by the school's auditors and implement them as required.

The accounting officer and business manager will be advised of any implications resulting from the review of the internal control systems by the finance and property committee and a plan for improvement.

Conclusion

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

Approved by order of the members of the Governing Body and signed on its behalf by:

S. A. Parnaby

Mrs S Parnaby
Chair of Governors and Academy Trustee



Mr M Harris
Headteacher & Accounting Officer

11/12/24

Date

Statement on Regularity, Propriety and Compliance

As accounting officer of Kirkbie Kendal School Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2023.

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



Mr M Harris
Headteacher & Accounting Officer

11/12/24 Date

Statement of Governors' Responsibilities

The governors (who act as trustees of Kirkbie Kendal School Academy Trust and 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 Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors 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 governors are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024
- make 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 governors 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 governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The governors 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 Governing Body and signed on its behalf by:

S A. Parnaby

Mrs S Parnaby
Chair of Governors and Academy Trustee

11/12/24

Date

Independent Auditor's Report on the Financial Statements to the Members of Kirkbie Kendal School Academy Trust**Opinion**

We have audited the financial statements of the Kirkbie Kendal School Academy Trust for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Kirkbie Kendal School Academy Trust's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. It includes the Reference and Administrative Details, the Report of the Directors and Strategic Report and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Independent Auditor's Report on the Financial Statements to the Members of Kirkbie Kendal School Academy Trust (continued)**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- To address the risk of fraud through management bias and override of controls, we:
 - performed analytical procedures to identify any unusual or unexpected relationships;
 - tested journal entries to identify unusual transactions;
 - assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
 - investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

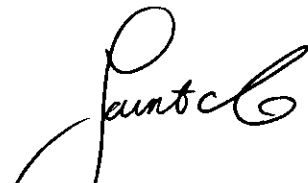
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

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

Use of our report

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



Mr Ian Thompson (Senior Statutory Auditor)

For and on behalf of

Saint & Co
Chartered Accountants & Statutory Auditors
The Old Police Station
Church Street
Ambleside
Cumbria
LA22 0BT

12 December 2024 Date

Independent Reporting Accountant's Assurance Report on Regularity to Kirkbie Kendal School Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 18/11/2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kirkbie Kendal School Academy Trust during the period 01 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

Respective Responsibilities of the Kirkbie Kendal School Academy Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirement of the Kirkbie Kendal School Academy Trust's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academies Financial Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 01 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- the Financial Management & Governance Evaluation (FMGE) was obtained and considered;
- having a general awareness of regularity and propriety whilst conducting the statutory audit function;
- reviewing if extra-contractual severance payments have been made in accordance with the Handbook;
- reviewing if borrowing agreements, including leases to ensure they have been made in accordance with the Handbook;
- reviewing the minutes of the meeting of the main committees during the year;
- reviewing expenditure to check that it was not ultra vires to the charitable objectives;
- obtaining trustee / governors declaration of interests;
- where present obtaining the accounting officer's file.

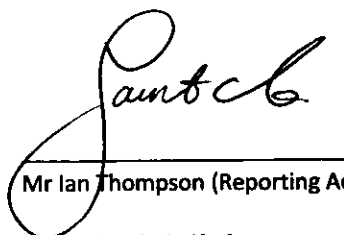
Independent Reporting Accountant's Assurance Report on Regularity to Kirkbie Kendal School Academy Trust and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 01 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Use of our report

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



Mr Ian Thompson (Reporting Accountant)

For and on behalf of

Saint & Co
Chartered Accountants & Statutory Auditors
The Old Police Station
Church Street
Ambleside
Cumbria
LA22 0BT

12 December 2024 Date

Statement of Financial Activities for the Year Ended 31 August 2024

(Including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2024 £	Total 2023 £
Income and endowments from:						
Donations and capital grants	3	2,540	-	482,662	485,202	64,246
Charitable activities						
Funding for the Academy trust's educational operations	4	297,228	7,054,361	-	7,351,589	6,849,585
Other trading activities	5	26,686	-	-	26,686	31,751
Investments	6	26,638	-	-	26,638	10,418
Total		353,092	7,054,361	482,662	7,890,115	6,956,000
Expenditure on:						
Charitable activities						
Academy trust educational operations	8	312,967	6,838,891	710,643	7,862,501	7,106,336
Other trading activities	7	31,428	-	-	31,428	32,048
Total	6	344,395	6,838,891	710,643	7,893,929	7,138,384
Net income / (expenditure)		8,697	215,470	(227,981)	(3,814)	(182,384)
Transfers between funds	11	24,330	(120,484)	96,154	-	-
Other recognised gains and (losses)						
Actuarial (losses) / gains on defined benefit pension schemes	24	-	(85,000)	-	(85,000)	889,000
Net movement in funds		33,027	9,986	(131,827)	(88,814)	706,616
Reconciliation of funds						
Total funds brought forward	19	203,438	511,028	7,846,840	8,561,306	7,854,690
Total funds carried forward	19	236,465	521,014	7,715,013	8,472,492	8,561,306

All of the academy's activities derive from continuing operations during the above two financial periods.

Balance Sheet as at 31 August 2024

Company Number: 07543834

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	14		7,403,325		7,846,840
Investments			-		-
			<u>7,403,325</u>		<u>7,846,840</u>
Current assets					
Stock	15	2,807		2,807	
Debtors	16	505,621		153,937	
Cash at bank and in hand		983,136		1,030,061	
		<u>1,491,564</u>		<u>1,186,805</u>	
Liabilities					
Creditors: Amount falling due within one year	17	(401,767)		(442,305)	
Net current assets			<u>1,089,797</u>		<u>744,500</u>
Total assets less current liabilities			<u>8,493,122</u>		<u>8,591,340</u>
Creditors: Amount falling due greater than one year	18		(20,630)		(25,034)
Provision for liabilities					
Defined benefit pension scheme asset / (liability)	24		-		(5,000)
Total net assets			<u><u>8,472,492</u></u>		<u><u>8,561,306</u></u>
Funds of the academy trust:					
Restricted funds					
Fixed asset funds	19	7,715,013		7,846,840	
Restricted income funds	19	521,014		516,028	
Pension reserve	19,24	-		(5,000)	
Total restricted funds	19		<u>8,236,027</u>		<u>8,357,868</u>
Unrestricted income funds					
General fund	19	236,465		203,438	
Total unrestricted funds			<u>236,465</u>		<u>203,438</u>
Total funds			<u><u>8,472,492</u></u>		<u><u>8,561,306</u></u>

The financial statements were approved by the trustees, and authorised for issue on 11 December 2024 and signed on their behalf by:

S.A. Parnaby.

Mrs S Parnaby
Chair of Governors and Academy Trustee



Mr M Harris
Headteacher & Accounting Officer

Statement of Cash Flows for the Year Ended 31 August 2024

	2024	2023			
	£	£			
Reconciliation of net income / (expenditure) to net cash flow from operating activities					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(3,814)	(182,384)			
<i>Adjusted for:</i>					
Depreciation	459,669	461,789			
Loss on disposal of fixed assets					
Capital grants from DfE/ESFA and other capital income	(459,410)	(63,996)			
Other government capital grants	-	-			
Capital donations	-	-			
Interest payable	364	413			
Interest receivable	(26,638)	(10,418)			
Defined benefit pension scheme costs less contributions payable	(91,000)	(45,000)			
Defined benefit pension scheme net pension finance costs	1,000	40,000			
Decrease/(Increase)Increase in stocks	-	(210)			
Decrease/(Increase) in debtors	(351,684)	111,195			
Increase/(Decrease) in creditors	(40,538)	(25,754)			
Increase/(Decrease) in creditors over one year	(4,404)	(4,356)			
Increase/(Decrease) in CIF loans includes above	4,356	4,308			
Net cash provided by / (used in) Operating Activities	<u>(512,099)</u>	<u>285,587</u>			
Cash flows from financing activities					
Repayments of borrowing	(4,720)	(4,721)			
Cash inflows from new borrowing	-	-			
Net cash provided by / (used in) financing activities	<u>(4,720)</u>	<u>(4,721)</u>			
Cash flows from investing activities					
Interest receivable	26,638	10,418			
Proceeds from sale of tangible fixed assets	-	-			
Purchase of tangible fixed assets	(16,154)	(211)			
Capital grants from DfE/ESFA and other capital income	459,410	63,996			
Other government capital grants	-	-			
Capital donations	-	-			
Net cash provided by / (used in) investing activities	<u>469,894</u>	<u>74,203</u>			
Change in cash and cash equivalents in the reporting period	<u>(46,925)</u>	<u>355,069</u>			
Reconciliation of net cash flow to movement in net funds					
Cash and cash equivalents at 1 September 2023	1,030,061	674,992			
Change in cash and cash equivalents in the reporting period	(46,925)	355,069			
Cash and cash equivalents at 31 August 2024	<u>983,136</u>	<u>1,030,061</u>			
Analysis of cash and cash equivalents	1 Sept 23	Cash flows	31 Aug 24		
	£	£	£		
Cash in hand and at bank	1,030,061	(46,925)	983,136		
Total cash and cash equivalents	<u>1,030,061</u>	<u>(46,925)</u>	<u>983,136</u>		
Analysis of changes in net debt	1 Sept 23	Cash flows	New	Other non-	31 Aug 24
	£	£	agreements	cash changes	£
Cash	1,030,061	(46,925)	-	-	983,136
Loans falling due within one year	(4,356)	4,720	-	(4,768)	(4,404)
Loans falling due after more than a year	(25,034)	-	-	4,404	(20,630)
Total	<u>1,000,671</u>	<u>(42,205)</u>	<u>-</u>	<u>(364)</u>	<u>958,102</u>

Notes to the Financial Statements for the Year Ended 31 August 2024**1. Statement of 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.

General Information

The academy trust is a public benefit entity and a private company limited by guarantee, registered in England and Wales and is an exempt charity. The address of the registered office is Kirkbie Kendal School Academy Trust, Lound Road, Kendal, Cumbria LA9 7EQ, United Kingdom.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Basis of Preparation

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

The trust meets the definition of a public benefit entity under FRS 102.

Going Concern

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

Incoming Resources

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

- General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.
- Other government grants are also recognised on a receivable basis. For all grants the balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.
- Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.
- Donations, legacies and other forms of voluntary income 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, 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.

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**1. Statement of Accounting Policies (Continued)**

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

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

Deferred Income

Grants and other funding received for the academy's educational activities for a period spanning the year end are deferred pro-rata to the relevant periods in order to match the funding to the period in which the costs of charitable activities are incurred.

Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust uses up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities.

The funds received and paid and any balances held are disclosed in the agency arrangements note. The unused funds at the period end are included as a liability in the balance sheet in other creditors.

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.

- 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.
- 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.

All resources expended are inclusive of irrecoverable VAT.

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**1. Statement of Accounting Policies (Continued)****Tangible Fixed Assets**

Assets are carried at valuation/cost, net of depreciation and any provision for impairment.

The capitalisation policy of items as tangible fixed assets is as follows:

- Single assets costing less than £2,000 or similar groups of assets purchased or ordered together of less than £2,000 are written off in the year of purchase.

Land and buildings are classed as long leasehold if the lease term is over 50 years.

Tangible fixed assets transferred on conversion to Academy status have been included in the accounts at valuation.

Tangible fixed assets since the Academy was established are included in the accounts at cost.

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

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

- Long leasehold property - straight line over the estimated economic life (10 to 50 years)
- Furniture, equipment and computers - straight line over 5 years
- Plant and machinery - straight line over 15 years

Assets are depreciated in full in the year of purchase.

The total depreciation charge is allocated to teaching costs and administration and support costs pro-rata to the number of employees.

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.

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**1. Statement of Accounting Policies (Continued)****Salix Accounting Policy / Public Benefit Entity Concessionary Loans**

Public benefit entity concessionary loans shall initially be measured at the amount received and recognised in the statement of financial position. In subsequent years, the carrying amount of concessionary loans in the financial statements shall be adjusted to reflect any accrued interest payable.

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 applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Financial Instruments

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

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

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

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

Stocks

Catering stock and stationery stock are measured at the lower of cost and estimated selling price less costs to complete and sell.

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.

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**1. Statement of Accounting Policies (Continued)****Pension Benefits**

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

Teachers' Pension Scheme

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.

Local Government Pension Scheme

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.

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**1. Statement of Accounting Policies (Continued)****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 governors.

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 grants, including the General Annual Grant (GAG), and other funding for educational purposes and any voluntary income to be used for specific purposes.

The Local Government Pension Scheme deficit is recognised against restricted general funds in order to match it against the GAG, in accordance with Education and Skills Funding Agency guidance.

Details of restricted and unrestricted funds are shown in the notes to the financial statements.

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, assumptions and judgements

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

- The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.
- Furthermore this year the pension asset has been restricted to any surplus of scheme assets over 110% of the scheme liabilities, in line with the schemes funding strategy.
- The annual depreciation charge is sensitive to the estimated useful economic lives of property. The useful economic lives of property, plant and equipment is initially based on the professional valuers report using their judgement and experience. The useful economic lives are assessed annually and changed when necessary to reflect current thinking on their remaining lives.

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

2. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2024 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 not exceeded these limits during the year ended 31 August 2024.

3. Donations and Capital Grants

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2024 £	Total 2023 £
ESFA - Capital Grant	-	-	459,410	459,410	-
ESFA - DFC Capital Grant	-	-	23,252	23,252	63,996
Other Government - Capital grants	-	-	-	-	-
Miscellaneous donations	2,540	-	-	2,540	250
	<u>2,540</u>	<u>-</u>	<u>482,662</u>	<u>485,202</u>	<u>64,246</u>
2023 total	<u>250</u>	<u>-</u>	<u>63,996</u>	<u>64,246</u>	

4. Funding for Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
DfE/ESFA Grants				
General Annual Grant (GAG)	-	5,169,795	5,169,795	5,022,225
General Annual Grant (GAG) - Post 16	-	934,562	934,562	774,168
Other DfE/ESFA grants				
Pupil premium	-	125,687	125,687	117,748
Teachers Pension Grant	-	96,964	96,964	27,541
Teachers Pay Grant	-	92,197	92,197	430
Schools supplementary grant	-	-	-	153,657
Mainstream schools additional grant	-	180,742	180,742	75,309
National tutoring programme	-	7,695	7,695	18,534
Recovery premium grant	-	31,809	31,809	31,499
Other ESFA Grants	-	28,512	28,512	31,484
Other DfE Group grants	-	-	-	-
	<u>-</u>	<u>6,667,963</u>	<u>6,667,963</u>	<u>6,252,595</u>
Other Government Grants				
LA funded statements	-	105,621	105,621	85,852
Other government grants	-	22,323	22,323	81,182
	<u>-</u>	<u>127,944</u>	<u>127,944</u>	<u>167,034</u>
Catering	291,331	-	291,331	259,093
School trips income	-	217,981	217,981	137,280
School fund income	2,239	-	2,239	1,721
Other educational institutions	-	-	-	-
Other educational income	3,658	40,473	44,131	31,862
	<u>297,228</u>	<u>7,054,361</u>	<u>7,351,589</u>	<u>6,849,585</u>
2023 total	<u>264,963</u>	<u>6,584,622</u>	<u>6,849,585</u>	

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

5. Other Trading Activities	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Hire of facilities - lettings	9,460	-	9,460	8,632
Hire of pitches	17,226	-	17,226	14,384
Insurance claims - trips	-	-	-	-
Risk protection arrangement claims	-	-	-	8,735
Other trading activities	-	-	-	-
	26,686	-	26,686	31,751
2023 total	31,751	-	31,751	
6. Investment Income	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Bank interest receivable	26,638	-	26,638	10,418
Other interest receivable	-	-	-	-
	26,638	-	26,638	10,418
2023 total	10,418	-	10,418	

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

7. Expenditure	Staff	Non Pay Expenditure		Total	Total
	Costs	Premises	Other Costs	2024	2023
	£	£	£	£	£
Cost of other trading activities	21,795	9,129	504	31,428	32,048
Academy's educational operations					
Direct costs	4,953,622	-	553,305	5,506,927	5,055,349
Trips and productions	6,769		211,213	217,982	137,280
Catering costs	122,924		188,924	311,848	290,463
Allocated support costs	618,802	859,827	347,115	1,825,744	1,623,244
	<u>5,702,117</u>	<u>859,827</u>	<u>1,300,557</u>	<u>7,862,501</u>	<u>7,106,336</u>
	<u>5,723,912</u>	<u>868,956</u>	<u>1,301,061</u>	<u>7,893,929</u>	<u>7,138,384</u>
2023 total	<u>5,240,151</u>	<u>689,583</u>	<u>1,208,650</u>	<u>7,138,384</u>	

Net income/(expenditure) for the period includes:		2024	2023
		£	£
Depreciation		459,669	461,789
(Gain)/loss on disposal of fixed assets		-	-
Operating leases		18,163	11,611
Fees payable to current auditor	- audit of the financial statements	5,335	4,900
	- other assurance services	2,140	1,910
	- other services	4,785	4,640
		<u>478,972</u>	<u>479,240</u>

8. Cost of Other Trading activities	Unrestricted	Restricted	Total	Total
	Funds	Funds	2024	2023
	£	£	£	£
Sports lettings				
Support staff costs	15,568	-	15,568	15,132
Maintenance of premises and equipment	3,225	-	3,225	4,624
Heat and light	5,904	-	5,904	5,658
	<u>24,697</u>	<u>-</u>	<u>24,697</u>	<u>25,414</u>
Other lettings				
Support staff costs	6,227	-	6,227	6,053
Catering	504	-	504	581
	<u>6,731</u>	<u>-</u>	<u>6,731</u>	<u>6,634</u>
	<u>31,428</u>	<u>-</u>	<u>31,428</u>	<u>32,048</u>
2023 total	<u>32,048</u>	<u>-</u>	<u>32,048</u>	

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

9. Charitable Activities	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Direct Costs - educational operations				
Teaching and educational support staff costs	-	4,953,622	4,953,622	4,476,865
Depreciation	-	218,424	218,424	225,838
Educational supplies	-	100,613	100,613	106,512
Staff development	-	8,178	8,178	11,224
Examination fees	-	123,097	123,097	119,279
Educational consultancy	-	-	-	296
Alternative curriculum	-	9,150	9,150	9,518
Hire of leisure centre	-	28,442	28,442	29,418
Other direct costs	-	65,401	65,401	76,399
	-	<u>5,506,927</u>	<u>5,506,927</u>	<u>5,055,349</u>
Trips and productions - educational operations				
Trip supply costs	-	6,769	6,769	5,297
Trip insurance charge	-	725	725	521
Costs inc accommodation, transport and admission	-	210,488	210,488	131,462
	-	<u>217,982</u>	<u>217,982</u>	<u>137,280</u>
Catering - educational operations				
Support staff costs	122,924	-	122,924	116,293
Catering expenses	171,171	-	171,171	158,269
Maintenance of premises and equipment	17,753	-	17,753	15,901
	<u>311,848</u>	-	<u>311,848</u>	<u>290,463</u>
Support Costs - educational operations				
Support staff costs	-	618,802	618,802	620,511
Depreciation	-	241,245	241,245	235,951
Loss on disposal of fixed assets	-	-	-	-
Maintenance of premises and equipment	-	95,545	95,545	162,162
Maintenance of premises and equipment - CIF	-	227,721	227,721	1,773
Cleaning	-	22,523	22,523	14,836
Rates and water	-	44,933	44,933	40,579
Heat and light	-	203,653	203,653	202,093
Insurance	-	24,207	24,207	21,907
Technology costs	-	114,524	114,524	83,954
Telephone	-	7,862	7,862	9,221
Security	-	20,412	20,412	11,685
Transport	-	38,035	38,035	34,715
Advertising	-	2,748	2,748	7,728
Admin photocopying and stationery	-	10,717	10,717	10,213
Mini bus rental	-	7,734	7,734	3,695
Mini bus expenses	-	2,289	2,289	1,735
School fund	1,119	-	1,119	1,563
Catering expenses	-	27,851	27,851	26,139
CIF loan interest payable	-	364	364	413
Other support costs	-	49,232	49,232	48,354
	<u>1,119</u>	<u>1,760,397</u>	<u>1,761,516</u>	<u>1,539,227</u>
Support Costs - governance				
Audit fees	-	5,335	5,335	4,900
Accountancy and assurance fees	-	8,425	8,425	8,050
Trustees' training and expenses	-	75	75	735
Legal fees	-	3,805	3,805	4,196
Professional fees	-	45,588	45,588	26,136
Net finance costs in respect of defined benefit pension schemes	-	1,000	1,000	40,000
	-	<u>64,228</u>	<u>64,228</u>	<u>84,017</u>
Total direct and support costs	<u>312,967</u>	<u>7,549,534</u>	<u>7,862,501</u>	<u>7,106,336</u>
2023 total	<u>292,026</u>	<u>6,814,310</u>	<u>7,106,336</u>	

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

10. Staff

a. Staff costs and employee benefits

	2024	2023
	£	£
Staff costs during the period were:		
Wages and salaries	4,176,004	3,824,135
Social security costs	415,618	374,444
Operating costs of defined benefit pension schemes	956,471	882,522
Other employee benefits	-	-
Apprenticeship levy	5,948	4,114
	<u>5,554,041</u>	<u>5,085,215</u>
Supply staff costs	131,163	154,936
Staff restructuring costs	38,708	-
Staff seconded in / out of the organisation	-	-
	<u>5,723,912</u>	<u>5,240,151</u>
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	38,708	-
Other restructuring costs	-	-
	<u>38,708</u>	<u>-</u>

b. Severance payments

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

	2024
	No
0 - £25,000	1
£25,001 - £50,000	1
£50,001 - £100,000	-
£100,001 - £150,000	-
£150,000+	-
	<u>2</u>

c. Special staff severance payments - Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £38,708 (2023: £Nil). Individually, the payments were £30,000 and £8,708. (2023: £Nil)

d. Staff numbers

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

	2024	2023
	No	No
Charitable Activities		
Management	2	2
Teachers	65	65
Administration and support	74	70
	<u>141</u>	<u>137</u>

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

e. Higher paid staff

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

	2024	2023
	No	No
£60,000 to £69,999	2	2
£70,000 to £99,999	2	
£90,000 to £99,999		1
£100,000 to £109,999	1	
	<u>5</u>	<u>3</u>

f. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was:

	2024	2023
	£	£
Senior leadership team	553,974	514,628
Staff Trustees	107,833	96,850
	<u>661,807</u>	<u>611,478</u>

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

11. Transfers Between Funds

		2024 £
Restricted general funds		
General Annual Grant (GAG)		
Music tuition fees transferred to the restricted GAG fund to cover costs incurred in providing this service	3,657	
GAG contribution towards All Weather Pitch costs	(7,471)	
GAG contribution to fund School Contribution attached to CIF project	(80,000)	
GAG contribution towards fixed asset purchases	(16,154)	
Overspend on unrestricted catering fund covered by GAG fund	<u>(20,516)</u>	
		(120,484)
		<u>(120,484)</u>
Restricted fixed asset funds		
Fixed assets used for charitable purposes		
Purchases from ESFA formula grant	-	
Purchases from General Annual Grant (GAG)	<u>16,154</u>	
		16,154
ESFA formula grant to Fixed assets fund		
Formula Capital contribution to fund School Contribution attached to CIF project		-
Condition improvement grant funds		
GAG contribution to fund School Contribution attached to CIF project	80,000	
Designated building fund contribution to CIF project	<u>-</u>	
		80,000
		<u>96,154</u>
Unrestricted Funds		
Unrestricted general funds		
Music tuition fees transferred to the restricted GAG fund to cover costs incurred in providing this service	(3,657)	
Unrestricted insurance claim income transferred to GAG fund	<u>-</u>	
		(3,657)
Unrestricted Cinderovens sports facility funds		
GAG contribution towards All Weather Pitch costs		7,471
Unrestricted catering fund		
Overspend on unrestricted catering fund covered by GAG fund		20,516
Designated building fund contribution to CIF project		
		-
		<u>24,330</u>

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

12. Related Party Transactions – Governors' remuneration and expenses

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

Other governors did not receive any payments, other than expenses, from the academy in respect of their role as governors.

The value of governors' remuneration and other benefits for the period was as follows:

M Harris (principal and ex-officio governor)		
Remuneration	£100,000 to £104,999	(2023: £90,000 to £94,999)
Employer's pension contributions	£25,000 to £29,999	(2023: £20,000 to £24,999)
J Donald (staff governor)		
Remuneration	£50,000 to £54,999	(2023: £50,000 to £54,999)
Employer's pension contributions	£10,000 to £14,999	(2023: £10,000 to £14,999)
N Chetwood (staff governor) - appointed 23/11/22		
Remuneration	£20,000 to £24,999	(2023: £15,000 to £19,999)
Employer's pension contributions	£5,000 to £9,999	(2023: £0 to £4,999)

During the year ended 31 August 2024, travel and subsistence expenses totalling £Nil were reimbursed to no governors in respect of their teaching role (2023: £Nil to no governors).

13. Governors and officers insurance

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims for negligent acts, errors or omissions occurring whilst on academy business. The insurance for the year ended 31 August 2024 provides cover up to £10,000,000 (2023: £10,000,000) on any one loss and any one membership year.

The academy's insurance is via the Department for Education's risk protection arrangement (RPA) and the cost of this insurance is included in the total insurance cost. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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

14. Tangible Fixed Assets	Long Leasehold		Furniture	ICT	Total
	Land & Buildings	Plant & Machinery	Fittings & Equipment	Equipment	
Cost	£	£	£	£	£
As at 1 September 2023	10,935,541	2,536,608	203,667	235,362	13,911,178
Additions	-	-	16,154	-	16,154
Disposals	-	-	(2,586)	-	(2,586)
As at 31 August 2024	<u>10,935,541</u>	<u>2,536,608</u>	<u>217,235</u>	<u>235,362</u>	<u>13,924,746</u>
Depreciation					
As at 1 September 2023	3,604,538	2,051,973	184,597	223,230	6,064,338
Charge in year	271,407	169,105	11,991	7,166	459,669
Disposals	-	-	(2,586)	-	(2,586)
As at 31 August 2024	<u>3,875,945</u>	<u>2,221,078</u>	<u>194,002</u>	<u>230,396</u>	<u>6,521,421</u>
Net book values					
As at 31 August 2024	<u>7,059,596</u>	<u>315,530</u>	<u>23,233</u>	<u>4,966</u>	<u>7,403,325</u>
As at 1 September 2023	<u>7,331,003</u>	<u>484,635</u>	<u>19,070</u>	<u>12,132</u>	<u>7,846,840</u>

Valuation Details

The leasehold buildings and the plant and machinery integral to the buildings include valuations of £10,110,891 and £2,525,097 respectively which were valued as at 1 April 2011 by Gary A Bushell, FRICS, AMAE of Bushell Raven Limited who is independent of the charitable company. The valuation is based on the estimated 'rebuild costs'.

The governors have departed from the applicable accounting standard FRS 102 section 17 Property, Plant and Equipment, which values specialised properties at Existing Use Value using a Depreciated Replacement Cost approach, as they believe that the 'rebuild cost' was a more accurate reflection of the value of the property at conversion.

In accordance with Gary A Bushell's instructions the land has been valued at £1. This valuation reflects the fact that the land is tied specifically to educational use. No account has been taken of any potential development value.

ESFA Condition Improvement Funds

During the year the academy incurred significant expenditure on ESFA Condition Improvement Fund projects. The majority of the costs are treated as resources expended in the Statement of Financial Activities.

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

15. Stock	2024	2023
	£	£
Stationery	500	500
Cleaning	-	-
Catering	2,307	2,307
	<u>2,807</u>	<u>2,807</u>
16. Debtors	2024	2023
	£	£
Trade debtors	3,282	2,878
VAT recoverable	66,316	40,177
Prepayments	75,002	65,389
Accrued income	352,824	39,851
Other debtors	8,197	5,642
	<u>505,621</u>	<u>153,937</u>
17. Creditors: Amounts falling due within one year	2024	2023
	£	£
Trade creditors	46,861	62,189
Taxation and social security	97,454	89,466
Other creditors	129,616	110,073
Accruals	75,785	47,754
Deferred income	46,409	56,496
ESFA creditors	1,238	71,971
Salix loans	2,270	2,270
CIF loans	2,134	2,086
	<u>401,767</u>	<u>442,305</u>
Deferred income	2024	2023
	£	£
Deferred income includes:		
Deferred income at 1 September 2023	56,496	30,493
Resources deferred in the year	46,409	56,496
Amounts released from previous years	(56,496)	(30,493)
Deferred income at 31 August 2024	<u>46,409</u>	<u>56,496</u>
Deferred income comprises:		
School funds income for future trips	22,439	
ESFA grant for rates 1 September 2024 to 31 March 2025	16,243	
LA funded statements for 1 September 2024 to 31 March 2025	7,581	
Other income in relation to the next academic year	146	
	<u>46,409</u>	

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

18. Creditors: Amounts falling due greater than one year

	2024	2023
	£	£
Salix loans	6,810	9,079
CIF loans	13,820	15,955
	<u>20,630</u>	<u>25,034</u>

Salix loans are public benefit concessionary loans which are repayable over 8 years from commencement and are interest free.

The academy as part of the 2020/21 condition improvement fund project received funding in the form of a CIF loan. This loan is repayable over 10 years and attracts an interest rate of 1.95%, the first repayment via an abatement of GAG funding was in September 2021.

Included within the above are amounts not wholly repayable within 5 years and are repayable by instalments totalling:

	£	£
Salix loans	-	-
CIF loans	7,127	7,127
	<u>7,127</u>	<u>7,127</u>

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

19. Funds	Balance at 01-Sep 2023 £	Incoming resources £	Resources expended £	Gains, Losses and Transfers £	Balance at 31-Aug 2024 £
Restricted General Funds					
General Annual Grant (GAG)	516,028	6,104,357	(5,978,887)	(120,484)	521,014
Pupil premium	-	125,687	(125,687)	-	-
Teachers Pension Grant	-	96,964	(96,964)	-	-
Teachers Pay Grant	-	92,197	(92,197)	-	-
Schools supplementary grant	-	-	-	-	-
Mainstream schools additional grant	-	180,742	(180,742)	-	-
National tutoring programme	-	7,695	(7,695)	-	-
Recovery premium grant	-	31,809	(31,809)	-	-
Other ESFA Grants	-	28,512	(28,512)	-	-
LA funded statements	-	105,621	(105,621)	-	-
Other government grants	-	22,323	(22,323)	-	-
Other Educational Institutions	-	-	-	-	-
Trips and productions	-	217,981	(217,981)	-	-
Other educational income	-	40,473	(40,473)	-	-
Other restricted general funds	-	-	-	-	-
	<u>516,028</u>	<u>7,054,361</u>	<u>(6,928,891)</u>	<u>(120,484)</u>	<u>521,014</u>
Restricted Fixed Asset Funds					
Fixed assets used for charitable purposes	7,846,840	-	(459,669)	16,154	7,403,325
ESFA formula capital	-	23,252	(23,252)	-	-
ESFA condition improvement funds	-	459,410	(227,722)	80,000	311,688
Other capital donations	-	-	-	-	-
	<u>7,846,840</u>	<u>482,662</u>	<u>(710,643)</u>	<u>96,154</u>	<u>7,715,013</u>
Restricted Pension Reserve Funds					
Pension reserve fund	(5,000)	-	90,000	(85,000)	-
Total Restricted Funds	<u>8,357,868</u>	<u>7,537,023</u>	<u>(7,549,534)</u>	<u>(109,330)</u>	<u>8,236,027</u>
Unrestricted Funds					
Cinderovens sports facility	-	17,226	(24,697)	7,471	-
School fund	53,495	2,239	(1,119)	-	54,615
Building projects	42,000	-	-	-	42,000
Catering fund	-	291,332	(311,848)	20,516	-
Other designated funds	82,154	9,460	(6,731)	-	84,883
General funds	25,789	32,835	-	(3,657)	54,967
Total Unrestricted Funds	<u>203,438</u>	<u>353,092</u>	<u>(344,395)</u>	<u>24,330</u>	<u>236,465</u>
Total Funds	<u>8,561,306</u>	<u>7,890,115</u>	<u>(7,893,929)</u>	<u>(85,000)</u>	<u>8,472,492</u>

Details of transfers are shown in Note 11.

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2024. Note 2 discloses whether the limit was exceeded.

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

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

General Annual Grant (GAG) fund

This represents the core funding for the educational activities of the school that has been provided to the academy via the Education and Skills Funding Agency (ESFA).

Pupil premium fund

This represents funding paid by the DfE to support disadvantaged students in their teaching and learning, with the aim of improving their attainment and closing the gap with more advantaged students.

Teachers pay and pension grants

Teachers pay grant is provided to support teacher pay awards. Teachers pension grant is provided to support the increase in employer contributions to the Teachers' Pension Scheme from September 2019.

Defined benefit pension scheme fund

This represents the deficit on the Local Government Pension Scheme (LGPS) at the year end.

Local authority funded statements

This represents funding from the Local Authority to pay for Learning Support Assistants who support the "statemented" special needs students.

Other restricted general funds

This includes voluntary income and educational income to be expended on specific projects, activities and materials for the benefit of the pupils.

Cinderovens sports facility

This fund has been designated for the maintenance and future replacement of the all-weather pitch.

Building projects

This fund has been designated for future building projects at the governor's discretion.

ESFA condition improvement funds

This represents monies from the ESFA in relation to capital projects.

Fixed assets used for charitable purposes

This represents the value and movements on Tangible Fixed Assets note.

Funds in Deficit

None

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

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

	Balance at 01-Sep 2022	Incoming resources	Resources expended	Gains, Losses and Transfers	Balance at 31-Aug 2023
	£	£	£	£	£
Restricted General Funds					
General Annual Grant (GAG)	250,450	5,796,393	(5,501,767)	(29,048)	516,028
Pupil premium	-	117,748	(117,748)	-	-
Teachers Pension Grant	-	27,541	(27,541)	-	-
Teachers Pay Grant	-	430	(430)	-	-
Schools supplementary grant	-	153,657	(153,657)	-	-
Mainstream schools additional grant	-	75,309	(75,309)	-	-
National tutoring programme	-	18,534	(18,534)	-	-
Recovery premium grant	-	31,499	(31,499)	-	-
Other ESFA Grants	-	31,484	(31,484)	-	-
LA funded statements	-	85,852	(85,852)	-	-
Other government grants	-	81,182	(81,182)	-	-
Other Educational Institutions	-	-	-	-	-
Trips and productions	-	137,280	(137,280)	-	-
Other educational income	-	27,713	(27,713)	-	-
Other restricted general funds	-	-	-	-	-
	<u>250,450</u>	<u>6,584,622</u>	<u>(6,289,996)</u>	<u>(29,048)</u>	<u>516,028</u>
Restricted Fixed Asset Funds					
Fixed assets used for charitable purposes	8,308,418	-	(461,789)	211	7,846,840
ESFA formula capital	506	63,996	(65,752)	1,250	-
ESFA condition improvement funds	3,023	-	(1,773)	(1,250)	-
Other capital donations	-	-	-	-	-
	<u>8,311,947</u>	<u>63,996</u>	<u>(529,314)</u>	<u>211</u>	<u>7,846,840</u>
Restricted Pension Reserve Funds					
Pension reserve fund	(899,000)	-	5,000	889,000	(5,000)
Total Restricted Funds	<u>7,663,397</u>	<u>6,648,618</u>	<u>(6,814,310)</u>	<u>860,163</u>	<u>8,357,868</u>
Unrestricted Funds					
Cinderovens sports facility	680	14,383	(25,414)	10,351	-
School fund	53,336	1,722	(1,563)	-	53,495
Building projects	42,000	-	-	-	42,000
Catering fund	-	259,093	(290,463)	31,370	-
Other designated funds	80,156	8,632	(6,634)	-	82,154
General funds	15,121	23,552	-	(12,884)	25,789
Total Unrestricted Funds	<u>191,293</u>	<u>307,382</u>	<u>(324,074)</u>	<u>28,837</u>	<u>203,438</u>
Total Funds	<u>7,854,690</u>	<u>6,956,000</u>	<u>(7,138,384)</u>	<u>889,000</u>	<u>8,561,306</u>

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

20. Analysis of Net Assets Between Funds

Fund balances at 31 August 2024 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	7,403,325	7,403,325
Current assets	236,465	911,182	343,917	1,491,564
Current liabilities	-	(369,538)	(32,229)	(401,767)
Non-current liabilities	-	(20,630)	-	(20,630)
Pension scheme liability	-	-	-	-
Total Net Assets	236,465	521,014	7,715,013	8,472,492

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	7,846,840	7,846,840
Current assets	203,438	975,940	7,427	1,186,805
Current liabilities	-	(434,878)	(7,427)	(442,305)
Non-current liabilities	-	(25,034)	-	(25,034)
Pension scheme liability	-	(5,000)	-	(5,000)
Total Net Assets	203,438	511,028	7,846,840	8,561,306

21. Long-term commitments, including under operating leases

Operating Leases

At the balance sheet date the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2024 £	2023 £
Assets other than land & buildings		
Amounts due within one year	19,095	11,905
Amounts due between one and five years	49,061	25,883
Amounts due after five years	-	-
	<u>68,156</u>	<u>37,788</u>

Land and property leases

The leasehold land and buildings are subject to lease with The Trustees of Kirkbie Kendal School. The lease term expires on 07 December 2103. Although a peppercorn rent may be demanded, no such rent has been demanded to date.

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

22. Capital Commitments	2024	2023
	£	£
Contracted for, but not provided in the financial statements	<u>311,688</u>	<u>-</u>
	<u>311,688</u>	<u>-</u>

The Academy entered into contracts relating to the following project:

Condition improvement projects

During the current year the academy entered into a contract for a boiler replacement CIF project. The academy was committed to a possible further cost of £311,688 at the year end. The capital element and repairs element is £nil and £311,688 respectively.

23. Members' Liability

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

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**24. Pension and Similar Obligations**

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

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

Contributions payable to the schemes at 31 August and included in creditors were as follows:

	2024	2023
	£	£
Teachers' Pension Scheme	91,374	74,152
Local Government Pension Scheme	25,807	23,998
	<u>117,181</u>	<u>98,150</u>

The total pension costs to the academy during the year ended 31 August and included in staff costs were as follows:

	2024	2023
	£	£
Teachers' Pension Scheme	750,641	627,321
Local Government Pension Scheme	248,505	232,493
Local Government Pension Scheme deficit recovery	48,325	67,708
LGPS current service cost/contributions adjustment	<u>(91,000)</u>	<u>(45,000)</u>
	<u>956,471</u>	<u>882,522</u>

Teachers' Pension Scheme**Introduction**

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

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**24. Pensions and Similar Obligations (continued)**

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

The employer's pension costs paid to TPS in the period amounted to £750,641 (2023: £627,321).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions made for the year ended 31 August were as follows:

	2024	2023
	£	£
Employer's contributions	296,830	300,201
Employees' contributions	<u>71,362</u>	<u>66,232</u>
Total contributions	<u>368,192</u>	<u>366,433</u>

The agreed contribution rates for future years are 20.6% for employers, and 5.5% to 12.5% for employees depending on pay bands.

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.

At the balance sheet date the scheme is in deficit. The Academy has entered into an agreement effective from 1 April 2023 to make additional contributions in addition to normal funding levels. It is anticipated that the payments will be made over 10 years from 1 April 2023, including £47,700 for 2023/24, £49,200 in 2024/25 and £50,700 in 2025/26.

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

24. Pensions and Similar Obligations (continued)

Local Government Pension Scheme (continued)

The principal actuarial assumptions are:

	At 31 August 2024	At 31 August 2023
Rate of increase in salaries	4.10%	4.30%
Rate of increase for pensions in payment / inflation	2.70%	2.90%
Discount rate for scheme liabilities	5.00%	5.40%
Inflation assumption (CPI)	2.60%	2.80%

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

	At 31 August 2024	At 31 August 2023
<i>Retiring today</i>		
Males	21.4	21.4
Females	23.9	23.8
<i>Retiring in 20 years</i>		
Males	22.7	22.7
Females	25.6	25.6

Sensitivity analysis

The table below, as produced by Mercer sets out the impact of a small change in assumptions on the defined benefit obligation. The figures are based on the surplus /deficit in the scheme before any surplus restriction.

	(Surplus) / Deficit	At 31 August 2024 Change	(Surplus) / Deficit	At 31 August 2023 Change
Discount rate + 0.1%	(162,000)	(82,000)	(69,000)	(74,000)
Discount rate - 0.1%	3,000	83,000	81,000	76,000
Mortality assumption - 1 year increase	19,000	99,000	93,000	88,000
Mortality assumption - 1 year decrease	(177,000)	(97,000)	(81,000)	(86,000)
CPI rate + 0.1%	3,000	83,000	81,000	76,000
CPI rate - 0.1%	(162,000)	(82,000)	(70,000)	(75,000)

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

24. Pensions and Similar Obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2024 £	Fair value at 31 August 2023 £
Equity instruments		
Equities	1,750,000	1,658,000
Debt instruments		
Government bonds	704,000	554,000
Other bonds	-	-
Property	374,000	345,000
Cash/liquidity	105,000	96,000
Other	1,859,000	1,711,000
Total Market Value of Assets	4,792,000	4,364,000
Present value of scheme liabilities		
Funded	(4,712,000)	(4,369,000)
Unfunded	-	-
Surplus / (deficit) in the scheme	80,000	(5,000)
Surplus restriction	(80,000)	-
Surplus / (deficit) recognised in the financial statements	-	(5,000)

Surplus Restriction

As noted above the actuary has valued the academy's share of the Cumbria LGPS to be a surplus of £80,000. The trust has restricted the amount of the surplus recognised as an asset, as FRS102 states that a surplus can only be recognised to the extent that it reduces future contributions. The rate of future contributions are set at the triennial reviews of the LGPS, the last one was at 31 March 2022. In the supporting valuation reports, this stated that only surpluses over 110% of liabilities are able to be returned to scheme participants through reduced future contributions. In the academy's case the assets do exceed 110% of the liabilities, therefore, under the scheme's current funding strategy the academy can reduce its future contributions.

The actual return on the scheme assets in the year was £367,000 (2023: -£172,000).

None of the fair values of the assets shown above include any of the academy's own financial instruments or any property occupied by, or other assets used by, the academy.

Amounts recognised in the statement of financial activities	2024 £	2023 £
Current service cost (net of employee contributions)	(207,000)	(257,000)
Net interest cost	9,000	(31,000)
Administration expenses	(10,000)	(9,000)
Past service (cost)/gain	-	-
Gain/(loss) on curtailment	-	-
Gain/(loss) on settlement	-	-
Total operating charge	(208,000)	(297,000)
Other recognised gains and (losses)	2024 £	2023 £
Remeasurements (liabilities)	(134,000)	507,000
Remeasurements (assets)	129,000	382,000
Surplus restriction movement	(80,000)	-
Total amount recognised in the SOFA	(85,000)	889,000

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

24. Pensions and Similar Obligations (continued)

Local Government Pension Scheme (continued)

Changes in the (surplus) / deficit in the year:	2024	2023
	£	£
Deficit in scheme at beginning of period	5,000	899,000
Current service cost	207,000	257,000
Interest cost	229,000	190,000
Employer contributions	(298,000)	(302,000)
Past service (cost)/gain	-	-
Actuarial (gain)/loss - Remeasurements	5,000	(889,000)
Administration expenses	10,000	9,000
Interest income	(238,000)	(159,000)
Plan introductions, benefit changes, curtailments and settlements	-	-
Deficit / (Surplus) at 31 August 2024	(80,000)	5,000
Surplus restriction	80,000	-
Deficit / (Surplus) recognised in the financial statements	-	5,000

Changes in the present value of defined benefit obligations were as follows:	2024	2023
	£	£
At beginning of period	(4,369,000)	(4,448,000)
Current service cost	(207,000)	(257,000)
Interest cost	(229,000)	(190,000)
Employee contributions	(72,000)	(67,000)
Past service (cost)/gain	-	- *
Actuarial gain/(loss) - Remeasurements	(134,000)	507,000
Benefits / transfers paid	299,000	86,000
Plan introductions, benefit changes, curtailments and settlements	-	-
Benefit obligation at 31 August 2024	(4,712,000)	(4,369,000)

Changes in the fair value of Academy's share of scheme assets:	2024	2023
	£	£
At beginning of period	4,364,000	3,549,000
Interest income	238,000	159,000
Administration expenses	(10,000)	(9,000)
Actuarial gain/(loss) - Remeasurements	129,000	382,000
Employer contributions	298,000	302,000
Employee contributions	72,000	67,000
Benefits / transfers paid	(299,000)	(86,000)
Plan introductions, benefit changes, curtailments and settlements	-	-
Scheme assets at 31 August 2024	4,792,000	4,364,000

Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**25. Related Party Transactions**

Owing to the nature of the academy trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

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

The following related party transactions took place in the period of account:

Income Related Party Transactions

There are trustees in common between the academy trust and The Trustees of Kirkbie Kendal School. During the year a donation of £2,000 (2023: £2,000) was received as a contribution towards the prize giving.

Expenditure Related Party Transactions

The academy trust employed family members of the senior leadership team during the year.

- The trust undertook proper recruitment procedures where necessary.
- The salaries paid were appropriate to the individual's skills and experience and the salary rates paid in accordance with the academy's pay scales.
- No special treatment is received by the family member as a result of her relationship.
- In entering into the transaction the trust has complied with the requirements of the Academies Financial Handbook.

Related party transactions with staff governors are detailed in an earlier note.

26. Agency Arrangements

The academy acts as an intermediary for the following agency arrangements but has no responsibility for them. The receipts and payments during the period have been excluded from the Statement of Financial Activities. An amount is included in other creditors relating to undistributed funds that are repayable as shown below:

	16-19 ESFA Bursary
Monies brought forward	71,971
Receipts during the year	3,970
Repayment of bursary to the ESFA	(71,180)
Distributions during the year	<u>(3,523)</u>
Balance carried forward	<u>1,238</u>

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

	16-19 ESFA Bursary
Monies brought forward	76,779
Receipts during the year	3,654
Repayment of bursary to the ESFA	(5,599)
Distributions during the year	<u>(2,863)</u>
Balance carried forward	<u>71,971</u>

16-19 Bursary Fund

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA.