

Company registration number 08152109 (England and Wales)

UPPERWOOD ACADEMY
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2024

UPPERWOOD ACADEMY

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UPPERWOOD ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Members

R Butterly
C Fish (Resigned 20 February 2024)
S Dean
K Wordsworth
K Markham (Resigned 10 September 2024)
N Rayner
T Seymour
J Tshilenga

Trustees

A Budd (Accounting Officer)
K Markham (Chair) (Resigned 10 September 2024)
K Wordsworth (Trustee)
K Crossland
C Fish (Previously Pollard) (Vice Chair)
(Resigned 20 February 2024)
R Butterley

Senior management team

- Principal
- Deputy Principal
- Assistant Principal, SEND & Safeguarding Lead
- Assistant Principal, KS1 Lead & Community/Parent Lead
- Bursar
- SLT Maths & Curriculum Lead
- E Safety Lead

A Budd
A Brown (Previously Charity)
K Hirst
K Crossland
S Stone
F Steadman
P Harper (Previously Hayhurst)

Accounting officer

A Budd

Company registration number

08152109 (England and Wales)

Registered office

Dartree Walk
Darfield
Barnsley
S73 9NL

Independent auditor

Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Bankers

The Royal Bank of Scotland
Attercliffe Branch
747 Attercliffe Road
Sheffield
S9 3RF

UPPERWOOD ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

DWF LLP
1 Scott Place
2 Hardman Street
Manchester
M3 3AA

UPPERWOOD ACADEMY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

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

The Academy Trust operates an Academy for pupils aged 4 to 11 serving a catchment area in Darfield. It has a pupil capacity of 252 and had a roll of 296 in the school census.

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 activities of the Academy Trust and are also the Directors of the Academy Trust for the purposes of company law. The charitable company is known as Upperwood Academy.

Details of the Governors who served throughout the year 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 Academy Trust 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 maybe required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

Governors' liability insurance cover was in place during the year ended 31 August 2024.

Method of recruitment and appointment or election of trustees

Under the terms of its articles, the Academy Trust shall have the following Governors.

- Up to 11 Governors appointed by the Members;
- Any staff Governors, appointed through such process as the Members may determine, provided the total number does not exceed one third of the total number of Governors;
- A minimum of two Parent Governors elected by parents of registered pupils at Upperwood Academy;
- Up to three Co-opted Governors may be appointed by the Governors who have not themselves been co-opted; and
- The Principal.

A Governor's term of office is four years (excluding the Principal) but a Governor is eligible for re-election or re-appointment at the end of their term.

Appropriate training is provided to all new Governors, as required.

Governors are recruited via canvassing of school community.

The Governors who were in office at 1 September 2023 and served throughout the year are listed on page 1.

Policies and procedures adopted for the induction and training of trustees

Following their appointment all new Governors receive an introduction to their role from the Chair and the Principal, an induction pack and are allocated a mentor from the Governing Body. All new Governors are actively encouraged to take advantage of the Governor Forum sessions held at various venues and run by the Local Authority's Governor Support Service. In addition, Governors have access to the National Governor Association via their website. Induction on to the governing body will require the prerequisite of level 2 safeguarding training for all new members in addition to the annual KCSIE training.

UPPERWOOD ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Organisational structure

The organisational structure consists of three levels: The Full Board of Governors, Governors' sub committees and the Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in the decision making at all levels.

The Governors are responsible for the strategic management of the Academy Trust, making decisions about key aspects including strategic direction, annual budgets and targets, capital expenditure, senior staff appointments and policy changes. The full Governing Body retains overall responsibility.

The sub committees comprise of Chair or Vice Chair, Principal and at least three other Governors. These committees make decisions relating to staffing appointments and budget spending. All decisions are referred back to the full board for ratification. The full board monitors budget spending.

The Senior Leadership Team comprises the Principal, Deputy Principal, KS1 Manager, SEN Coordinator, EYFS Manager and KS2 Manager. These managers control the Academy Trust at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets.

Arrangements for setting pay and remuneration of key management personnel

The governing body has the power to effect pay across the academy. Any person employed to work at the school, other than the principal, must withdraw from a meeting at which the pay or appraisal of any other employee of the school, is under consideration. The principal must withdraw from that part of the meeting where the subject of consideration is his or her own pay. A relevant person must withdraw where there is a conflict of interest or any doubt about his/her ability to act impartially.

Where possible, no member of the governing body who is employed to work in the school shall be eligible for membership of this committee.

The pay committee will be attended by the principal in an advisory capacity. Where the pay committee has invited an external adviser to attend and offer advice on the determination of the Principal's pay, that person will withdraw at the same time as the Principal while the committee reaches its decision. Any member of the committee required to withdraw will do so.

The terms of reference for the pay committee will be determined from time to time by the governing body. The current terms of reference are:

- Undertake the annual salary review and determine the individual salary of all staff by considering and ratifying the Headteacher's recommendations for the pay of all staff, ensuring the performance management policy and pay policy has been consistently and robustly applied.
- Decide the school's approach towards the exercising of pay discretions.
- Comply with all statutory and contractual obligations.
- Keep the school's pay policy up-to-date and under review.
- Recommend to the Governing Body and keep under review a policy and procedures for performance management in school.
- Approve the appraisals and pay recommendations for the Leadership Team.
- Report to the Governing Body all decisions taken within the powers delegated to the Committee.
- Review and recommend appropriate training and development activities in respect of the above.

The report of the pay committee will be placed in the confidential section of the governing body's agenda and will either be received or referred back. Reference back may occur only if the pay committee has exceeded its powers under the policy.

Related parties and other connected charities and organisations

There is a Parent Group called F.O.C.U.S. which organises various fundraising events to provide additional resources for the pupils. Details of any other related party transactions can be found in note 25.

UPPERWOOD ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities

Objects and aims

The principal object of the Academy Trust is the operation of Upperwood Academy to provide education for pupils between the ages of 4 and 11.

Objectives, strategies and activities

The Academy Trust's main strategy is encompassed in its school vision which is: 'Aiming for excellence within a happy, caring community for all' with the following values:

- Inspiring creative minds and enthusiasm for discovery;
- Encourage persistence, independence and high expectations;
- Instilling respect and understanding of social and moral responsibility;
- Promoting a strong sense of community where everyone is valued as an individual;
- Ensuring all can learn within a safe, stimulating and supportive environment;
- Building the courage to embrace risk and continually question;
- Equipping all with the skills to adapt to the future;
- Valuing, encouraging and celebrating achievement in all its forms;
- Providing opportunity and challenge within and beyond the curriculum;
- Appreciating the environment and committing to sustainability.
- Fostering spiritual and cultural awareness; and
- Making learning fun.

The main objectives of the Academy Trust during the year ended 31 August 2024 are summarised below:

- To raise the standard of literacy and numeracy across the school;
- To implement monitoring of the Pupil Premium;
- To ensure a well-balanced and engaging curriculum
- To ensure a smooth transition for all 11-year olds as they embark on the next phase of their education;
- To continue to improve attendance;
- To continue to improve the learning environment to facilitate teaching and learning.
- To support pupils who have missed education through the COVID-19 pandemic.

Public benefit

Upperwood Academy is a state funded primary school which provides and strives to promote and support the advancement of education to primary school aged children within the wider Barnsley area. The Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers.

In setting our objectives and planning our activities the Governors have given careful consideration to the wider community. Over the year the contributions that benefitted the local community included the following:

- Engaging in many charitable fund-raising events, including the NSPCC;
- Community links with Darfield Museum and Barnsley Museum;
- Active sporting links with local football, athletics, tennis and gymnastic clubs;
- Providing work experience for students from local secondary schools;
- Providing educational work placements for Barnsley College, Sheffield Hallam, Dearne Valley College.

UPPERWOOD ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report

Achievements and performance

- Attainment at KS2 in mathematics was in the highest 40% nationally in all schools.
- KS2 attainment of the expected standard (100+) in reading, writing and mathematics (73%) was significantly above national and in the highest 20% in 2024.
- An expansion of our nurture team to support all learners.
- Ensuring our Safeguarding team have been available and vigilant in their support of pupils and families.
- Ensuring the S.L.T. have maintained high quality in this provision through keen monitoring procedures.
- Results for all parameters were above National Averages across school. When this is compared with the schools deprivation index showing pupils on entry are in the highest centile of deprivation (ISDR) reflects a strong degree of value added.

Key performance indicators

The Governors consider that the following are key performance indicators for the Academy Trust;

- Deliver a strong carry forward allowing the long-term going concern;
- Distribute expenditure evenly throughout the year;
- Actual expenditure to closely correlate with budgeted expenditure;
- Minimise expenditure through smarter procurement and Best Value;
- Generate additional income; and through our work with Teaching Schools; and
- Reduce energy usage where possible.
- We have spent substantial monies on Electrical rewiring of the whole school and Fire Door replacement across school. This was supported by a substantial CIF contribution with school providing 10% of funding. This has supported the longevity and sustainability of the school buildings.

The Governors have been pleased that expectations for all key performance indicators listed have been successfully met during the year.

Going concern

The trustees assess whether the use of going concern is appropriate, ie. 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 one year from the date of approval of the financial statements.

Upperwood Academy has been rebrokered to a multi academy trust on 1 September 2024. At this date, Upperwood Academy continued their operations under HCAT Academy Trust.

As such the trustees do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis, but have been prepared on an alternative basis to comply with the Academies Accounts Direction 2023 to 2024

UPPERWOOD ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Financial review

Most of the Academy Trust's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2024 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2024, recurrent grant funding from the ESFA together with other incoming resources amounted to £1,827,420 (2023: £1,732,761) (excluding capital grants).

Total expenditure during the year amounted to £1,900,662 (2023: £1,745,490) (excluding capital expenditure and pension scheme surplus adjustments). Therefore, resulting in a current year deficit of £116,189 (2023 Deficit £24,614). All figures exclude the restricted fixed asset and pension surplus reserves movements, except transfers of capital expenditure from GAG of £42,947 (2023: £11,885).

The cumulative balance carried forward at 31 August 2024 was £369,472 (2023: £485,661) (excluding restricted fixed asset and pension surplus reserves).

At 31 August 2024 the net book value of fixed assets was £2,760,025 (2023: £2,431,697) and movements in tangible fixed assets are shown in note 12 to the financial statements. During the year the assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

Reserves policy

The Governors review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves.

The Governors have determined that the permitted level of free reserves for recurrent costs should be maintained in order to provide sufficient working capital to cover delays between spending and receipt of grants, and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

Financial position

The Academy Trust held fund balances at 31 August 2024 of £3,122,679 (2023: £2,891,300).

These funds are made up of restricted fixed asset funds of £2,753,207 (2023: £2,423,639), other restricted funds of £65,584 (2023: £190,827) and unrestricted funds of £303,888 (2023: £294,834).

Additionally, there is a pension fund reserve with a £Nil balance (2023: Deficit £18,000) which is being funded by contributions through payroll.

Investment policy and powers

The Academy Trust currently has no financial investments; however, should it decide to pursue these in the future the policy is to delegate the management of investments to a financial expert.

Principal risks and uncertainties

The main risks that the Academy Trust is exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and avoidance plans.

Strategic and Reputational – This covers unfavourable Ofsted reports, risk of uncontrollable events and insufficient demand for Academy services. Competition from other schools with similar objects and little scope for differentiation can have an effect. Also includes the capacity of existing buildings to deliver teaching and learning to pupils.

UPPERWOOD ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Plans for future periods

Upperwood Academy will be rebrokered to another multi academy trust on 1 September 2024, however the Governor's still believe the following future plans apply to the academy:

- To support the welfare of pupils and staff to ensure a healthy and prosperous work place.
- To continue to develop a rich and varied curriculum across the whole school which outlines the key knowledge children should acquire in each subject in each year group.
- To continue to improve attendance.
- To improve Performance Management systems to increase employee performance and deliver a whole school teaching profile that is outstanding.
- To support pupil welfare through nurture support to ensure pupil engagement continues to be high.

Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 19 November 2024 and signed on its behalf by:

Kim Wordsworth

K Wordsworth
Trustee

UPPERWOOD ACADEMY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2024

Scope of responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Upperwood Academy and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
A Budd (Accounting Officer)	3	3
K Markham (Chair) (Resigned 10 September 2024)	3	3
K Wordsworth (Trustee)	3	3
K Crossland	3	3
C Fish (Previously Pollard) (Vice Chair) (Resigned 20 February 2024)	2	2
R Butterley	1	3

The coverage of the board's work is to ensure a curriculum is delivered for all pupils that engages and results in the standards of attainment across the whole school that are above national averages in all areas. Furthermore, ensuring that the welfare and safety of both pupils and staff is paramount.

The board continues to perform well and this is reflected by the high standards achieved by our pupils and by the prudent financial decisions made that have allowed a continued good education to be delivered to all pupils in a climate of evermore financial challenge.

The board reflects on national standards data, internal progress data, internal financial returns and also benchmark these areas with similar schools both locally and nationally. The board are content in the knowledge that an open approach to sharing data is clear and transparent.

The continued evaluation of role of governance takes place termly, the key area of development for 2024 is to further develop governor knowledge of the day to day education received by our pupils. This has resulted in scheduled governor weeks so that clear mandates for decision making are based on a good knowledge of the school and the needs of our pupils.

Our main areas of development in 2024 are ensuring

- Our Early Years Provision knits well with the rest of the school's curriculum. Ensuring the quality experience experienced are not only valid in their own right but they also support future learning in school.
- Assessment structures in foundation subjects are purposeful and embedded
- Governors to ensure the smooth transition of Leadership as the current Principal retires at the end of the academic year 2023-24
- Ensuring the due processes are in place for the smooth transition to a New Academy Trust-Hoyland Common Academy Trust.

UPPERWOOD ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Conflicts of interest

The trust board ensures that the requirements for managing connected party transactions are known to all relevant individuals and are applied in practice.

The chair of the trust and the accounting officer ensure that their capacity to control and influence does not conflict with these requirements. They manage personal relationships with connected parties to avoid both real and perceived conflicts of interest, promoting integrity and openness in accordance with the 'seven principles of public life'.

The trust recognises that some relationships with connected parties may attract greater public scrutiny, such as:

- Transactions with individuals in a position of control and influence, including the chair of the trust and accounting officer.
- Payments to commercial organisations which have a profit motive, as opposed to those in the voluntary sector.
- Relationships with external auditors that go beyond their duty to deliver a statutory audit.

The trust maintains sufficient records, and makes sufficient disclosures in their annual accounts, to evidence that transactions with these parties, and all other connected parties, have been conducted in accordance with the high standards of accountability and transparency required within the public sector.

The trust's register of interests captures relevant business and pecuniary interests of members, trustees and senior employees, including:

- Directorships, partnerships and employments with businesses that provide goods or services to the trust.
- Trusteeships and governorships, including at other educational institutions and charities, irrespective of whether there is a trading relationship with the trust.

For each interest: the name of the business, the nature of the business, the nature of the interest, and the date the interest began.

The trust considers whether to include the interests of other individuals in the register, with a presumption in favour of disclosure to support transparency and accountability. This may include other employees of the trust and close family members of individuals already on the register. Close family relationships are defined as a close member of the family, or member of the same household, who may be expected to influence, or be influenced by, the person. This includes, but is not limited to, a child, parent, spouse or civil partner.

Interests are not limited to the items above and the trust considers whether other interests should be registered. If in doubt the presumption is towards including an interest in the register.

The trust board keeps their register of interests up-to-date through regular review.

The trust publishes on its website relevant business and pecuniary interests of trustees and members. The academy has discretion over the publication of interests of other individuals including parents, spouses, civil partners, cohabitants and children.

This year, 2023/24 we shall be exploring the succession planning for Senior Leadership within school structures. This may include recruitment of Senior Leaders and the Academy clearly identifying the support it requires to be successful.

Review of value for money

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

UPPERWOOD ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Receiving quotes from existing and potential new coach providers for school visits resulting in proving the current provider presents the best value for money.
- Receiving quotes from existing and potential new staff insurance companies proving the current provider presents the best value for money.
- Receiving quotes from existing and potential new photocopying companies to present the best value for money.
- Procuring our own supply staff, using existing or previous staff to save on costs.
- Ensuring due process is in place by Governance to ensure the joining of a MAT is financially prudent and delivers a long term value for money for the school.

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 Upperwood Academy for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to buy-in an internal audit service from MGRW.

UPPERWOOD ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

MGRW's role includes giving advice on financial and other matters and performing a range of checks on the academy trusts financial and other systems. In particular, the checks carried out in the current period included:

- Management reporting
- Accounting control account reconciliations (including fixed assets)
- Income recognition
- Procurement & purchase order process
- Payroll
- Risk management
- Budget planning & monitoring
- Benchmarking
- Trust governance
- Data & IT issues (cyber security)

On a termly basis, MGRW reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

On an annual basis MGRW prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations, and conclusions to help the committee consider actions and assess year on year progress.

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.

Review of effectiveness

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

- The work of the internal reviewer;
- The work of the external auditor;
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and general purposes committee and plan to ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 19 November 2024 and signed on its behalf by:

Alistair Budd

A Budd
Accounting Officer

Kim Wordsworth

K Wordsworth
Trustee

UPPERWOOD ACADEMY

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2024

As accounting officer of Upperwood Academy, 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 in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

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

Alistair Budd

A Budd
Accounting Officer

19 November 2024

UPPERWOOD ACADEMY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees (who are also the directors of Upperwood Academy for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2023 to 2024 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the board of trustees on 19 November 2024 and signed on its behalf by:

Kim Wordsworth

K Wordsworth
Trustee

UPPERWOOD ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPPERWOOD ACADEMY FOR THE YEAR ENDED 31 AUGUST 2024

Opinion

We have audited the accounts of Upperwood Academy for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- 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 requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the 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 accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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.

Emphasis of matter

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1.2 to the financial statements regarding going concern. As detailed in the accounting policy, Upperwood Academy rebrokered into HCAT Academy Trust on 1 September 2024.

Accordingly, the trustees have decided that the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1.2 to the financial statements.

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

UPPERWOOD ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPPERWOOD ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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 are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

At the planning stage we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general academy sector experience and through discussion with management, as required by auditing standards. The potential effect of any laws and regulation on the financial statements can vary considerably. There are laws and regulations that directly affect the financial statements (e.g. the Companies Act, the Charities SORP 2019, the Academies Accounts Direction 2023 to 2024) as well as many other operational laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

UPPERWOOD ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPPERWOOD ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

We have assessed the overall susceptibility of the financial statements to material misstatement due to irregularities as moderate risk due to the inherent regulatory environment and financial reporting requirements within the sector. Furthermore, increased public scrutiny due to use of public funds increases the risk around certain financial reporting disclosures. However, as a result, there are stronger financial controls around sensitive financial reporting disclosures imposed by the ESFA therefore this reduces the risk of material misstatements as a result of irregularities being undetected. The procedures performed by the audit team included:

- Communicating identified laws and regulations at planning throughout the audit team to remain alert to any indications of non-compliance throughout the audit.
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including the current Academies Accounts Direction.
- Review of any OFSTED reports within the period.
- Review of the Internal Scrutiny Reports delivered in the year.
- Ensuring that any findings noted as part of our work on regularity (as detailed in our Independent Reporting Accountant's Assurance Report) which indicate the possibility of irregularities and fraud, including any breaches of the Academies Financial Handbook, are also considered as part of our conclusions here.
- Review of the Accounting Officer's Statement of Regularity, Propriety and Compliance and the academy trust's Governance Statement disclosures.

We have assessed the overall susceptibility of the financial statements to material misstatement due to fraud. Management override is the most common way in which fraud might present itself and is therefore inherently high risk on any audit. Management override, which may cause there to be a material misstatement within the financial statements, may present itself in a number of ways, for example:

- Override of internal controls (e.g. segregation of duties)
- Entering into transactions outside the normal course of operations, especially with related parties
- Fraudulent revenue recognition and income being recorded in the wrong period
- Presenting bias in accounting judgements and estimates, particularly the ones disclosed in note 2 to the financial statements.

In order to reduce the risk of material misstatement to an acceptable level, numerous audit procedures were performed including:

- Enquiries of management as to whether they had any knowledge of any actual or suspected fraud
- Review of all material journal entries made throughout the year as well as those made to prepare the financial statements.
- Review of financial data for evidence of previously unidentified related party transactions that may not have been conducted in accordance with the Academy Trust Handbook 2023.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing the underlying rationale behind transactions in order to assess whether they were outside the normal course of business
- Increased substantive testing across all material income streams
- Assessing whether management's judgements and estimates indicated potential bias, particularly those disclosed in note 2 to the financial statements

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected material misstatements in the financial statements, even though we have performed our audit in accordance with auditing standards. Furthermore, as with all audits, there is a higher risk of irregularities (especially those relating to fraud) being undetected, as these may involve the override of internal controls, collusion, intentional omissions and misrepresentations etc. We are not responsible for preventing non-compliance or fraud and therefore cannot be expected to detect all instances of such. Our audit was not designed to identify misstatements or other irregularities that would not be considered to be material to the financial statements. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

UPPERWOOD ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPPERWOOD ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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



Hannah Jones (Senior Statutory Auditor)
for and on behalf of Hart Shaw LLP

6 December 2024

Chartered Accountants
Statutory Auditor

Europa Link
Sheffield Business Park
Sheffield
S9 1XU

UPPERWOOD ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UPPERWOOD ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2024

In accordance with the terms of our engagement letter 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 Upperwood Academy during the period 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Upperwood Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Upperwood Academy's funding agreement with the Secretary of State for Education dated 25 May 2012 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusions included:

- reviewing for transactions which require ESFA approval in accordance with the Academy Trust Handbook 2023;
- reviewing any special payments to staff (compensation, severance and ex-gratia) to ensure compliance with the Academy Trust Handbook 2023;
- reviewing for any borrowings that contravene the Academy Trust Handbook 2023;
- reviewing for connected party transactions to ensure compliance with the Academy Trust Handbook 2023;
- reviewing for any evidence of non-compliance with laws and regulations;
- reviewing committee meeting minutes for indications of irregular transactions;
- carrying out systems and controls testing and considering the effectiveness of such controls; and
- carrying out targeted substantive testing to review for any unusual or irregular transactions.

UPPERWOOD ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UPPERWOOD ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 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.

Hart Shaw LLP

Reporting Accountant

Hart Shaw LLP
Europa Link
Sheffield Business Park
Sheffield
S9 1XU

Dated: 06 December 2024

UPPERWOOD ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2024 £	Total 2023 £
Income and endowments from:					
Donations and capital grants	3	626	-	337,661	338,287
Charitable activities:					
- Funding for educational operations	4	64,565	1,748,536	-	1,813,101
Other trading activities	5	4,660	-	-	4,660
Investments	6	9,033	-	-	9,033
Total		78,884	1,748,536	337,661	2,165,081
Expenditure on:					
Charitable activities:					
- Educational operations	8	69,830	1,899,832	51,040	2,020,702
Total	7	69,830	1,899,832	51,040	2,020,702
Net income/(expenditure)		9,054	(151,296)	286,621	144,379
Transfers between funds	18	-	(42,947)	42,947	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	21	-	87,000	-	87,000
Net movement in funds		9,054	(107,243)	329,568	231,379
Reconciliation of funds					
Total funds brought forward		294,834	172,827	2,423,639	2,891,300
Total funds carried forward		303,888	65,584	2,753,207	3,122,679

UPPERWOOD ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2023		funds	General	Fixed asset	2023
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	983	-	23,616	24,599
Charitable activities:					
- Funding for educational operations	4	59,970	1,655,598	-	1,715,568
Other trading activities	5	10,506	-	-	10,506
Investments	6	5,704	-	-	5,704
Total		<u>77,163</u>	<u>1,655,598</u>	<u>23,616</u>	<u>1,756,377</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	49,893	1,718,597	51,917	1,820,407
Total	7	<u>49,893</u>	<u>1,718,597</u>	<u>51,917</u>	<u>1,820,407</u>
Net income/(expenditure)		27,270	(62,999)	(28,301)	(64,030)
Transfers between funds	18	-	(11,885)	11,885	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	21	-	254,000	-	254,000
Net movement in funds		<u>27,270</u>	<u>179,116</u>	<u>(16,416)</u>	<u>189,970</u>
Reconciliation of funds					
Total funds brought forward		<u>267,564</u>	<u>(6,289)</u>	<u>2,440,055</u>	<u>2,701,330</u>
Total funds carried forward		<u>294,834</u>	<u>172,827</u>	<u>2,423,639</u>	<u>2,891,300</u>

UPPERWOOD ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		2,760,025		2,431,697
Current assets					
Stock	13	577		736	
Debtors	14	256,920		49,840	
Cash at bank and in hand		468,453		559,802	
		725,950		610,378	
Current liabilities					
Creditors: amounts falling due within one year	15	(357,718)		(125,957)	
Net current assets			368,232		484,421
Total assets less current liabilities			3,128,257		2,916,118
Creditors: amounts falling due after more than one year	16		(5,578)		(6,818)
Net assets excluding pension liability			3,122,679		2,909,300
Defined benefit pension scheme liability	21		-		(18,000)
Total net assets			3,122,679		2,891,300
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			2,753,207		2,423,639
- Restricted income funds			65,584		190,827
- Pension reserve			-		(18,000)
Total restricted funds			2,818,791		2,596,466
Unrestricted income funds	18		303,888		294,834
Total funds			3,122,679		2,891,300

The accounts on pages 21 to 44 were approved by the trustees and authorised for issue on 19 November 2024 and are signed on their behalf by:

Kim Wordsworth

K Wordsworth
Trustee

Company registration number 08152109 (England and Wales)

UPPERWOOD ACADEMY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	22		66,400		(57,628)
Cash flows from investing activities					
Dividends, interest and rents from investments		9,033		5,704	
Capital grants from DfE Group		213,826		23,616	
Purchase of tangible fixed assets		(379,368)		(34,261)	
Net cash used in investing activities			(156,509)		(4,941)
Cash flows from financing activities					
Repayment of SALIX loan		(1,240)		(1,240)	
Net cash used in financing activities			(1,240)		(1,240)
Net decrease in cash and cash equivalents in the reporting period			(91,349)		(63,809)
Cash and cash equivalents at beginning of the year			559,802		623,611
Cash and cash equivalents at end of the year			468,453		559,802

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Upperwood Academy is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

1.1 Basis of preparation

The accounts 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.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable 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 accounts.

On 1 September 2024, Upperwood Academy has rebrokered to a multi academy trust, HCAT Academy Trust. The academy has continued to operate within Upperwood Academy under HCAT Academy Trust,.

As such the trustees do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis, but have been prepared on an alternative basis to comply with the Academies Accounts Direction 2023 to 2024.

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

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

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

Other income

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long term leasehold land & buildings	Straight line over 125 years
Computer equipment	Straight line over 3 years
Fixtures, fittings & equipment	Straight line between 4 - 20 years
Leasehold improvements	Straight line over 50 years

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.

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

1.6 Liabilities

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

1.7 Leased assets

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

1.8 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. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Stock

Stock is valued at the lower of cost and net realisable value.

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

1.11 Pensions benefits

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

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. The 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 are recognised in the period to which they relate.

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

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

1.12 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Capital grants	-	337,661	337,661	23,616
Other donations	626	-	626	983
	<u>626</u>	<u>337,661</u>	<u>338,287</u>	<u>24,599</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
DfE/ESFA grants				
General annual grant (GAG)	-	1,447,881	1,447,881	1,332,706
Other DfE/ESFA grants:				
- UIFSM	-	32,207	32,207	32,740
- Pupil premium	-	146,819	146,819	138,005
- ESFA supplementary grant	-	-	-	55,917
- Others	-	94,897	94,897	61,265
	<u>-</u>	<u>1,721,804</u>	<u>1,721,804</u>	<u>1,620,633</u>
Other government grants				
Local authority grants	-	12,993	12,993	21,843
	<u>-</u>	<u>12,993</u>	<u>12,993</u>	<u>21,843</u>
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	13,739	13,739	13,122
	<u>-</u>	<u>13,739</u>	<u>13,739</u>	<u>13,122</u>
Other incoming resources	<u>64,565</u>	<u>-</u>	<u>64,565</u>	<u>59,970</u>
Total funding	<u>64,565</u>	<u>1,748,536</u>	<u>1,813,101</u>	<u>1,715,568</u>

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Insurance claims	1,560	-	1,560	849
Payments from other educational establishments	3,100	-	3,100	9,657
	<u>4,660</u>	<u>-</u>	<u>4,660</u>	<u>10,506</u>

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Short term deposits	9,033	-	9,033	5,704

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2024 £	Total 2023 £
Academy's educational operations					
- Direct costs	1,247,106	34,437	138,687	1,420,230	1,318,435
- Allocated support costs	285,640	160,365	154,467	600,472	501,972
	<u>1,532,746</u>	<u>194,802</u>	<u>293,154</u>	<u>2,020,702</u>	<u>1,820,407</u>

Net income/(expenditure) for the year includes:

	2024 £	2023 £
Operating lease rentals	1,758	1,272
Depreciation of tangible fixed assets	51,040	51,917
Fees payable to auditor for:		
- Audit	7,750	7,500
- Other services	4,250	4,250
Net interest on defined benefit pension liability	1,000	11,000

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Direct costs				
Educational operations	26,091	1,394,139	1,420,230	1,318,435
Support costs				
Educational operations	43,739	556,733	600,472	501,972
	<u>69,830</u>	<u>1,950,872</u>	<u>2,020,702</u>	<u>1,820,407</u>

	2024 £	2023 £
Analysis of support costs		
Support staff costs	285,640	197,846
Depreciation	16,603	18,820
Technology costs	8,847	3,067
Premises costs	143,762	142,694
Legal and professional costs	15,556	13,286
Other support costs	113,675	112,516

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

8 Charitable activities (Continued)

Governance costs	16,389	13,743
	<u>600,472</u>	<u>501,972</u>

9 Staff

Staff costs and employee benefits

Staff costs during the year were:

	2024 £	2023 £
Wages and salaries	1,070,335	1,013,009
Social security costs	101,396	93,365
Pension costs	315,741	216,623
Staff costs - employees	<u>1,487,472</u>	<u>1,322,997</u>
Agency staff costs	45,274	44,113
	<u>1,532,746</u>	<u>1,367,110</u>
Staff development and other staff costs	8,014	4,180
Total staff expenditure	<u>1,540,760</u>	<u>1,371,290</u>

Staff numbers

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

	2024 Number	2023 Number
Teachers	10	8
Administration and support	28	32
Management	7	7
	<u>45</u>	<u>47</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2024 Number	2023 Number
Teachers	8	6
Administration and support	18	21
Management	5	6
	<u>31</u>	<u>33</u>

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

9 Staff

(Continued)

Higher paid staff

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

	2024 Number	2023 Number
£90,001 - £100,000	1	1

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 and employer national insurance contributions) received by key management personnel for their services to the academy trust was £478,108 (2023: £476,014).

10 Trustees' remuneration and expenses

Two of the trustee's have been paid remuneration or have received other benefits from an employment with the academy trust. The principal and other trustees only receive remuneration in respect of services provided undertaking the roles of principal and staff members and not in respect of their services as trustees.

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

A Budd (principal):

- Remuneration £95,000 - £100,000 (2023: £90,000 - £95,000)
- Employer's pension contributions £25,000 - £30,000 (2023: £20,000 - £25,000)

K Crossland (assistant principal):

- Remuneration £55,000 - £60,000 (2023: £50,000 - £55,000)
- Employer's pension contributions £10,000 - £15,000 (2023: £10,000 - £15,000)

Other related party transactions involving the trustees are set out within the related parties note.

11 Trustees' and officers' insurance

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

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

12 Tangible fixed assets

	Long term leasehold land & buildings	Computer equipment	Fixtures, fittings & improvements	Leasehold improvements	Total
	£	£	£	£	£
Cost					
At 1 September 2023	1,835,002	142,373	193,888	883,237	3,054,500
Additions	-	7,117	5,342	366,909	379,368
Disposal	-	(7,175)	-	-	(7,175)
At 31 August 2024	1,835,002	142,315	199,230	1,250,146	3,426,693
Depreciation					
At 1 September 2023	226,305	123,524	176,618	96,356	622,803
On disposals	-	(7,175)	-	-	(7,175)
Charge for the year	13,312	11,955	8,108	17,665	51,040
At 31 August 2024	239,617	128,304	184,726	114,021	666,668
Net book value					
At 31 August 2024	1,595,385	14,011	14,504	1,136,125	2,760,025
At 31 August 2023	1,608,697	18,849	17,270	786,881	2,431,697

The net book value of land and buildings comprises:

	2024 £	2023 £
Long leaseholds (over 50 years)	1,595,385	1,608,697

The freehold of the land and buildings is held by Barnsley Metropolitan Borough Council (BMBC). BMBC granted the leasehold to Upperwood Academy on 1 September 2012 for a term of 125 years.

13 Stock

	2024 £	2023 £
Stock	577	736

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

14 Debtors

	2024 £	2023 £
Trade debtors	2,556	2,556
VAT recoverable	77,720	4,201
Prepayments and accrued income	176,644	43,083
	<u>256,920</u>	<u>49,840</u>

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Government loans	1,240	1,240
Trade creditors	193,912	24,668
Other taxation and social security	22,063	21,597
Other creditors	8,601	7,686
Accruals and deferred income	131,902	70,766
	<u>357,718</u>	<u>125,957</u>

Included within government loans is the portion of the long term SALIX loan which falls due within the following year. The terms of the loans have been discussed in more detail in note 16.

16 Creditors: amounts falling due after more than one year

	2024 £	2023 £
Government loans	<u>5,578</u>	<u>6,818</u>
Analysis of loans	2024 £	2023 £
Wholly repayable within five years	6,818	8,058
Less: included in current liabilities	(1,240)	(1,240)
Amounts included above	<u>5,578</u>	<u>6,818</u>
Loan maturity		
Debt due in one year or less	1,240	1,240
Due in more than one year but not more than two years	1,240	1,240
Due in more than two years but not more than five years	4,338	5,578
	<u>6,818</u>	<u>8,058</u>

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

16 Creditors: amounts falling due after more than one year

(Continued)

Upperwood Academy received a SALIX loan as part of the Condition Improvement Funding Grant. The loan of £9,298 is an interest free loan with repayments that commenced 1 March 2022. Repayments of £620 are to be made twice a year for 8 years until the loan is fully repaid.

17 Deferred income

	2024 £	2023 £
Deferred income is included within:		
Creditors due within one year	42,233	20,050
Deferred income at 1 September 2023	20,050	48,714
Released from previous years	(1,262)	(48,714)
Resources deferred in the year	23,445	20,050
Deferred income at 31 August 2024	42,233	20,050

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals, Teachers Pension & Teachers Pay Additional Grant which relate to the next academic year.

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

18 Funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2024 £
Restricted general funds					
General Annual Grant (GAG)	190,827	1,447,881	(1,530,177)	(42,947)	65,584
UIFSM	-	32,207	(32,207)	-	-
Pupil premium	-	146,819	(146,819)	-	-
Other DfE/ESFA COVID-19 funding	-	13,739	(13,739)	-	-
Other DfE/ESFA grants	-	94,897	(94,897)	-	-
Other government grants	-	12,993	(12,993)	-	-
Pension reserve	(18,000)	-	(69,000)	87,000	-
	<u>172,827</u>	<u>1,748,536</u>	<u>(1,899,832)</u>	<u>44,053</u>	<u>65,584</u>
Restricted fixed asset funds					
Inherited on conversion	1,608,696	-	(13,312)	-	1,595,384
DfE group capital grants	626,161	337,661	(17,911)	1,240	947,151
Capital expenditure from GAG	187,007	-	(18,042)	41,707	210,672
Private sector capital sponsorship	1,775	-	(1,775)	-	-
	<u>2,423,639</u>	<u>337,661</u>	<u>(51,040)</u>	<u>42,947</u>	<u>2,753,207</u>
Total restricted funds	<u>2,596,466</u>	<u>2,086,197</u>	<u>(1,950,872)</u>	<u>87,000</u>	<u>2,818,791</u>
Unrestricted funds					
General funds	<u>294,834</u>	<u>78,884</u>	<u>(69,830)</u>	<u>-</u>	<u>303,888</u>
Total funds	<u>2,891,300</u>	<u>2,165,081</u>	<u>(2,020,702)</u>	<u>87,000</u>	<u>3,122,679</u>

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

18 Funds

(Continued)

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

General Annual Grant

The General Annual Grant (GAG) funds have been spent in line with the terms of the Master Funding Agreement.

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

The academy has made a transfer of £41,707 (2023 - £11,885) from the restricted GAG fund to the restricted fixed asset fund to cover the costs of additional fixtures and fittings and IT equipment.

Universal infant free school meals

Universal Infant Free School Meals provides funding to offer free-school meals to pupils in reception, year 1 and year 2.

Pupil Premium

Pupil Premium is additional funding given to academies so that they can support their disadvantaged pupils and close the attainment gap between them and their peers.

Other DfE/ESFA Covid-19 funding

This includes recovery premium grant. The recovery premium funding is to support children whose education has been impacted by coronavirus and is focused on pupil premium eligible pupils.

Other DfE/ESFA grants

This includes rates relief, PE and sports grant, school led tutoring, mainstream schools additional grant, teachers pay additional grant and national professional qualifications grant.

The rates relief grant was received to support the rates payable by the academy.

The PE and sports grant was funding received to support the sporting facilities of the academy.

School led tutoring grant is to support children to catch up on missed learning caused by coronavirus.

Supplementary Grant provides support for the costs of the Health and Social Care Levy and wider costs.

Mainstream Schools Additional Grant is as a result of a budget increase from the ESFA.

Teachers Pay Additional Pay Grant is extra funding to help schools cover the cost of the teachers' pay award.

National Professional Qualifications Grant is funding for courses and schools to help teachers take NPQs for their professional development.

Other government grants

This includes special educational needs funding to provide support and facilities for pupils with special educational needs.

General funds

The general funds relates to income received to support the costs of providing school meals, uniform, music tuition, breakfast club and school trips.

The balance on restricted funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2024 is £369,472 (2023: £485,661).

The restricted pension fund is in surplus to the value of £79,000 as at 31 August 2024 (2023: deficit of £18,000), however the recoverability of the surplus has been assessed with an asset ceiling report being obtained resulting in a balance of £nil being reported. See note 21 for further details.

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

18 Funds

(Continued)

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	242,711	1,332,706	(1,372,705)	(11,885)	190,827
UIFSM	-	32,740	(32,740)	-	-
Pupil premium	-	138,005	(138,005)	-	-
Other DfE/ESFA COVID-19 funding	-	13,122	(13,122)	-	-
Other DfE/ESFA grants	-	117,182	(117,182)	-	-
Other government grants	-	21,843	(21,843)	-	-
Pension reserve	(249,000)	-	(23,000)	254,000	(18,000)
	<u>(6,289)</u>	<u>1,655,598</u>	<u>(1,718,597)</u>	<u>242,115</u>	<u>172,827</u>
Restricted fixed asset funds					
Inherited on conversion	1,622,008	-	(13,312)	-	1,608,696
DfE group capital grants	619,361	23,616	(18,056)	1,240	626,161
Capital expenditure from GAG	192,874	-	(16,512)	10,645	187,007
Private sector capital sponsorship	5,812	-	(4,037)	-	1,775
	<u>2,440,055</u>	<u>23,616</u>	<u>(51,917)</u>	<u>11,885</u>	<u>2,423,639</u>
Total restricted funds	<u>2,433,766</u>	<u>1,679,214</u>	<u>(1,770,514)</u>	<u>254,000</u>	<u>2,596,466</u>
Unrestricted funds					
General funds	<u>267,564</u>	<u>77,163</u>	<u>(49,893)</u>	<u>-</u>	<u>294,834</u>
Total funds	<u>2,701,330</u>	<u>1,756,377</u>	<u>(1,820,407)</u>	<u>254,000</u>	<u>2,891,300</u>

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

19 Long-term commitments

Operating leases

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

	2024 £	2023 £
Amounts due within one year	1,580	1,580
Amounts due in two and five years	2,660	4,378
	<u>4,240</u>	<u>5,958</u>

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2024 are represented by:				
Tangible fixed assets	-	-	2,760,025	2,760,025
Current assets	303,888	256,610	165,452	725,950
Current liabilities	-	(191,026)	(166,692)	(357,718)
Non-current liabilities	-	-	(5,578)	(5,578)
Total net assets	<u>303,888</u>	<u>65,584</u>	<u>2,753,207</u>	<u>3,122,679</u>
	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	2,431,697	2,431,697
Current assets	294,834	315,544	-	610,378
Current liabilities	-	(124,717)	(1,240)	(125,957)
Non-current liabilities	-	-	(6,818)	(6,818)
Pension scheme liability	-	(18,000)	-	(18,000)
Total net assets	<u>294,834</u>	<u>172,827</u>	<u>2,423,639</u>	<u>2,891,300</u>

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

21 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 South Yorkshire Pension Authority. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £8,601 (2023 £7,686) were payable to the schemes at 31 August 2024 and are included within creditors.

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.

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 £166,860 (2023: £141,089)

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.

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

21 Pension and similar obligations

(Continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21.4% for employers and 5.5% to 12.5% for employees.

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

Total contributions made	2024 £	2023 £
Employer's contributions	83,000	64,000
Employees' contributions	23,000	21,000
Total contributions	106,000	85,000

Principal actuarial assumptions	2024 %	2023 %
Rate of increase in salaries	3.25	3.60
Rate of increase for pensions in payment/inflation	2.65	3.00
Discount rate for scheme liabilities	5.00	5.20

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

	2024 Years	2023 Years
Retiring today		
- Males	20.5	20.6
- Females	23.6	23.6
Retiring in 20 years		
- Males	21.3	21.4
- Females	25	25.0

Sensitivity analysis

Scheme liabilities would have been affected by changes in assumptions as follows:

	2024 £000's	2023 £000's
Discount rate - 0.1%	41	36
Mortality assumption + 1 year	69	64
CPI rate + 0.1%	39	32

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

21 Pension and similar obligations

(Continued)

Defined benefit pension scheme net asset/(liability)	2024 £	2023 £
Scheme assets	1,810,000	1,574,000
Scheme obligations	(1,731,000)	(1,592,000)
Net asset/(liability)	79,000	(18,000)
Restriction on scheme assets	(79,000)	-
Total liability recognised	-	(18,000)

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

	2024 Fair value £	2023 Fair value £
Equities	1,213,000	1,086,000
Bonds	380,000	330,000
Cash/liquidity	36,000	16,000
Property	181,000	142,000
Total market value of assets	1,810,000	1,574,000

The actual return on scheme assets was £154,000 (2023: £59,000).

Amount recognised in the statement of financial activities

	2024 £	2023 £
Current service cost	72,000	76,000
Interest income	(84,000)	(63,000)
Interest cost	85,000	74,000
Restriction on scheme assets	79,000	-
Total amount recognised	152,000	87,000

The net gain recognised on scheme assets has been restricted because the full pension surplus is not expected to be recovered through refunds or reduced contributions in the future.

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

21	Pension and similar obligations		(Continued)
	Changes in the present value of defined benefit obligations	2024	2023
		£	£
	At 1 September 2023	1,592,000	1,702,000
	Current service cost	72,000	76,000
	Interest cost	85,000	74,000
	Employee contributions	23,000	21,000
	Actuarial gain	(17,000)	(258,000)
	Benefits paid	(24,000)	(23,000)
	At 31 August 2024	1,731,000	1,592,000
	Changes in the fair value of the academy trust's share of scheme assets	2024	2023
		£	£
	At 1 September 2023	1,574,000	1,453,000
	Interest income	84,000	63,000
	Actuarial (gain)/loss	70,000	(4,000)
	Employer contributions	83,000	64,000
	Employee contributions	23,000	21,000
	Benefits paid	(24,000)	(23,000)
	Restriction on scheme assets	(79,000)	-
	At 31 August 2024	1,731,000	1,574,000
22	Reconciliation of net income/(expenditure) to net cash flow from operating activities	2024	2023
		£	£
	Net income/(expenditure) for the reporting period (as per the statement of financial activities)	144,379	(64,030)
	Adjusted for:		
	Capital grants from DfE and other capital income	(337,661)	(23,616)
	Investment income receivable	(9,033)	(5,704)
	Defined benefit pension costs less contributions payable	68,000	12,000
	Defined benefit pension scheme finance cost	1,000	11,000
	Depreciation of tangible fixed assets	51,040	51,917
	Decrease in stocks	159	2,456
	(Increase)/decrease in debtors	(83,245)	3,274
	Increase/(decrease) in creditors	231,761	(44,925)
	Net cash provided by/(used in) operating activities	66,400	(57,628)

UPPERWOOD ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

23 Analysis of changes in net funds

	1 September 2023 £	Cash flows £	31 August 2024 £
Cash	559,802	(91,349)	468,453
Loans falling due within one year	(1,240)	-	(1,240)
Loans falling due after more than one year	(6,818)	1,240	(5,578)
	<u>551,744</u>	<u>(90,109)</u>	<u>461,635</u>

24 Capital commitments

	2024 £	2023 £
Expenditure contracted for but not provided in the accounts	<u>206,637</u>	<u>-</u>

25 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

C Fish (previously Pollard) is a director of Pollard Safety Services Ltd, a health and safety company which carried out the annual checks. The company was paid £550 (2023: £550) for this work.

A Budd, the Headteacher, is listed as a local system leader of Tykes Teaching School Alliance. Upperwood Academy has received £380 (2023: £5,380) of donations from Tykes Teaching School Alliance during the year.

26 Post balance sheet events

Upperwood Academy rebrokered into HCAT Academy Trust on 1 September 2024. At the date of transfer, Upperwood Academy continued their operations under HCAT Academy Trust. All assets and liabilities were transferred at their balance sheet value on the transfer date for nil consideration. The trustees will oversee the closing down of Upperwood Academy and will apply to Companies House for the company to be dissolved.

27 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.