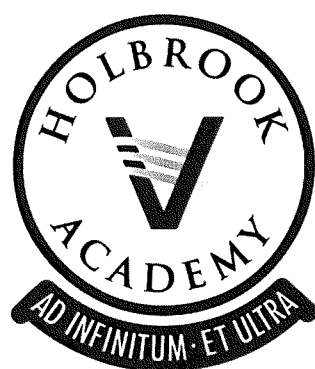


Holbrook Academy

(A Company Limited by Guarantee)



Annual Report and Financial Statements

For the year ended 31 August 2024

Company Registration Number: 07654882 (England & Wales)
Registered Office: Ipswich Road, Holbrook,
Ipswich, Suffolk, IP9 2QX

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

- J Hazlewood
- J Gould
- J Ambrose

Governors

- G Anstee-Parry (Resigned 31 August 2024)
- H Butler (Chair of Governors)
- A Butler (Appointed 6 February 2024)
- D Cook
- N Cordle
- L Cullen (Resigned 22 April 2024)
- C Elliott (Appointed 1 September 2024)
- C Norman
- L Parker
- A Peters (Resigned 10 September 2024)
- P Sago
- M Slattery
- S Spiers
- D Thomas
- A Williamson (Resigned 6 February 2024)
- C Wise

Company Secretary

S Beazley

Governance Professional

Schools' Choice Governor Services

Senior Leadership Team:

- | | |
|---|---|
| ▪ Headteacher & Accounting Officer | C Elliott (Appointed 1 September 2024) |
| ▪ Acting Headteacher & Accounting Officer | G Anstee-Parry (1 September 2023 to 31 August 2024) |
| ▪ Deputy Headteacher | G Anstee-Parry (from 1 September 2024) |
| ▪ Acting Deputy Headteacher | S Watson (Resigned 31 August 2024) |
| ▪ Assistant Headteacher | K Newstead |
| ▪ Assistant Headteacher | D Sansom |
| ▪ Assistant Headteacher | A King (Appointed 1 September 2024) |
| ▪ Assistant Headteacher | K Darby (Appointed 1 September 2024) |

Company Name

Company Registration Number

Principal and Registered Office

Holbrook Academy

07654882 (England and Wales)

Ipswich Road
Holbrook
Ipswich
Suffolk IP9 2QX

Independent Auditor

Lovewell Blake LLP
Chartered Accountants & Statutory Auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Bankers

HSBC
12 Tavern Street
Ipswich
Suffolk
IP1 3AZ

REPORT OF THE GOVERNORS

INTRODUCTION

The Governors, (who are Governors under the Academies Act 2010, Trustees under the Charities Act 2011 and Directors under the Companies Act 2006), present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purpose of both a trustees' report, and a directors' report and strategic report under company law.

The trust operates an Academy for pupils aged 11 to 16 serving a catchment area south of Ipswich. It has a pupil capacity of 600 and had a roll of 590 in the school census on 3 October 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Holbrook Academy, hereafter referred to as the Academy, is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association dated 1 June 2011 are the primary governing documents of the Academy. The Governors act as trustees of the Academy and are also directors of the charitable company for the purposes of company law.

Members' Liability

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

Trustees' Indemnities

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 membership.

Method of Recruitment and Appointment or Election of Governors

The management of the Academy is the responsibility of the Governors who are elected and co-opted under the terms of the Academy Articles of Association. The Governors are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of the charity legislation.

The term of office for any Governor shall be four years, save that this time limit shall not apply to the Headteacher, who shall hold office for so long as they continue to be employed. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or re-elected. The Governors who were in office on 31 August 2024 and who served during the year are listed on page 2.

REPORT OF THE GOVERNORS (continued)

Policies and Procedures adopted for the Induction and Training of Governors

The training and induction provided for new Governors will depend on their existing experience.

Where necessary, induction will include training on educational, legal and financial matters. All new Governors will be given the opportunity of a tour of the Academy, have the chance to meet with staff and students and be provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role as Governors. As there is expected to be only a small number of new Governors a year, induction will be carried out informally and will be tailored specifically to the individual.

Organisational Structure

The Academy was set up with a management structure to support the Education Brief. The Academy's organisational structure consists of two levels: the Governors and the Senior Leadership Team.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring its financial and operational performance, and making strategic decisions about the direction of the Academy, approving major items of expenditure and making senior staff appointments.

The Committee structure comprises the Finance and Personnel Committee and the Quality and Monitoring Committee. Each Committee meets at least once per term. During the course of the 2023-24 academic year the full Governing Body formally met four times.

The Governors have approved a scheme of financial delegation which clearly sets out the level of financial authority delegated to the Headteacher during the year.

From September 2024, the Senior Leadership Team (SLT) includes the Headteacher, Deputy Headteacher, Assistant Headteacher (Progress & Outcomes), Assistant Headteacher (Behaviour), Assistant Headteacher (Safeguarding and Pastoral) and Assistant Headteacher (Inclusion / SENCo). The SLT are responsible for day-to-day operation of the Academy, in particular, organising the teaching staff, students and resources.

Arrangements for setting pay and remuneration of key management personnel

Governors review the Appraisal and Pay Policy annually. Pay scales for teachers are based on STRB (School Teachers Pay and Conditions document). Pay scales for support staff are based on Suffolk County Council's Single Status Agreement and local pay and grading arrangements.

Annual pay progression is not automatic. It will only be considered where staff have met the expectations described in the Pay Policy and the Academy Appraisal Policy and through their appraisal process and will be subject to the maximums of the employee's relevant pay range/grade/grade mid-point and the governing body's annual decision-making processes.

Assessment of performance is based on evidence from a range of sources, as described in the Academy's Appraisal Policy. Although the Academy will establish a firm evidence base in relation to the performance of all employees, there is a responsibility on the individual and their appraiser to work together. Employees should gather any evidence that they deem is appropriate in relation to their objectives and other relevant criteria (eg the Teachers' Standards and criteria to be paid on Upper Pay Range), so that such evidence can be taken into account at the performance review. Appraisal objectives will become more challenging as staff progress up their pay range/grade.

REPORT OF THE GOVERNORS (continued)
Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering the period starting from 1 April each year and as follows:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	1.4

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time:

Total cost of facility time	-
Total pay bill	£3,083,620
Percentage of the total pay bill spent on facility time, calculated as (total cost of facility time divided by total pay bill) x 100	-

Paid trade union activities:

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on trade union activities by relevant union officials during the relevant period divided by total paid facility time hours) x 100	-
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Related Party Relationships

The detail of all Related Party Transactions is provided in the Notes to the Financial Statements.

REPORT OF THE GOVERNORS (continued)

OBJECTIVES AND ACTIVITIES

Principal Activities

The Academy's objects, as set out in its Articles of Association, are

- a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.
- b) to promote for the benefit of the inhabitants of Holbrook and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Aims and Objectives of the Academy

The Academy objectives are set out in its Articles of Association and referred to above. In summary, it is to establish, maintain, manage and develop a school offering a broad curriculum and to provide community facilities.

In accordance with the Articles of Association, the Academy has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which students are drawn, and that the curriculum should comply with the substance of the National Curriculum with an emphasis on English and Mathematics.

Objectives, Strategies and Activities

The Academy has a vision to produce young people with exemplary attitudes who will make a positive contribution to the community in which they live and to the wider world in the future. Our aim is that everybody can be somebody. The Academy has the ambition to become the educational hub to serve the local community.

The stated purpose of the Academy is to ensure that children learn for life by providing a distinctive educational experience and helping them to search for the qualities which will help them to stand out from the crowd. The Academy has a commitment to relentlessly focus on pupil achievement and the quality of provision in all areas. This will be achieved by continually improving teaching and learning and providing the best possible opportunities for all children to do the best they can.

A key objective is that examination results will improve so that all students will maximise their full potential.

The Academy's Improvement Plan is reviewed regularly during the year at meetings of the Governing Body.

Public Benefit

The Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission. Although our sporting facilities are currently shared with the local community, the Headteacher is continuing to explore possible grant funding to extend this provision, allowing elderly residents in the neighbourhood to have further access as part of our outreach work.

REPORT OF THE GOVERNORS (continued)**STRATEGIC REPORT****Achievements and Performance and Key Performance Indicators**

This year the school posted a Progress 8 score of -0.61, in comparison to -0.28 in 2023. Our Attainment 8 score is: 38.35, 4+ Eng & Ma: 50% and 5+ Eng & Ma: 31%.

This indicates that there are some continuing areas to improve: the progress of boys, the disadvantaged and middle-high prior attainers.

The total number of students on roll in the year ended 31 August 2024 numbered 581.

From 1 September 2011, the Academy has a PAN (Pupil Admissions Number) of 120 in Year 7. The capacity of the school is 600.

Going Concern

It is expected on 1 April 2025 that the school and buildings are being transferred to East Anglian School Trust (EAST). Holbrook Academy would no longer trade, and the Trustees will wind the company up.

FINANCIAL REVIEW**Overview**

During the year the Academy received total income of £4,455,074 (comprising £13,073 capital grants and £4,442,001 revenue income). Of this sum £3,615,081 was received from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in respect of its General Annual Grant, used for its day to day running costs. Expenditure for the year totalled £4,608,574 (comprising £4,398,335 revenue expenditure, £236,239 capital depreciation less £26,000 pension adjustment regarding the Local Government Pension Scheme).

The financial position for revenue excluding the restricted pension fund and the restricted fixed asset fund was as follows:

	Unrestricted Funds £	Restricted General Funds £	Total Revenue £
Revenue			
Income	156,058	4,285,943	4,442,001
Expenditure	142,774	4,229,561	4,372,335
Net surplus for year (before transfers)	13,284	56,382	69,666

REPORT OF THE GOVERNORS (continued)

The revenue reserves position is shown as follows:

Revenue	Unrestricted Funds £	Restricted General Funds £	Total Revenue £
Reserves b/fwd as at 1 September 2023	37,543	244,857	282,400
Net surplus for the year (after transfers)	13,284	(13,118)	166
Reserves c/fwd to 1 September 2024	50,827	231,739	282,566

In total the Academy has positive revenue reserves totalling **£282,566**.

The Governors have a duty as a public body to be transparent about the Academy's finances and are fully cognisant of the Academy's financial risks. As a result, a management plan to address them is already in place and is under constant review.

With close management of expenditure during 2023-24 the Academy managed a final in year surplus of £166. The surplus brought forward from 2022-23 of £282,400, increased the surplus carry forward balance into 2024-25 to £282,566.

Reserves Policy

The Governing Body reviews the reserve levels of the Academy throughout the year, annually at the year-end and as a part of its medium-term budget planning. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Governors determine what the level of uncommitted reserves should be. The main aims are 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.

As at 31 August 2024, the Academy Trust had surplus reserves of £50,827, (2023: surplus of £37,543), calculated as unrestricted net assets as shown in note 17. The total restricted funds (excluding the pension reserve) at 31 August 2024 is a surplus of £231,739 (2023: £244,857).

Fixed Assets / Capital

The Academy held £7,100,402 restricted fixed asset funds as at 31 August 2024. The fixed asset fund reflects both the funding received for capital investment purposes and the net book value of assets. It should be noted that the Academy's land and buildings are on a 125 year lease from Suffolk County Council.

Pension Fund (Local Government Pension Scheme)

In accordance with FRS 102, the Academy received an actuarial assessment of the pension scheme. Where a pension scheme is in surplus, the resulting defined benefit plan asset is only recognised to the extent that the academy trust is able to recover the surplus either through reduced contributions in the future or through refunds from the plan, in accordance with FRS102 28.22.

The scheme is in surplus by £260k, however this surplus has not been recognised as an asset in these accounts in accordance with the academy trust's accounting policy, as the academy trust is unable to recover the surplus through reduced contributions in the future, or through refunds from the plan.

REPORT OF THE GOVERNORS (continued)

Investment Policy

During the period of these financial statements the Academy operated two bank accounts, one of which was an interest bearing deposit account for surplus funds. In balancing risk against return, the Academy policy is geared towards carefully managing the cash flow and maximising returns where possible but at very low risk.

Risk Management

During the course of 2023-24, the Academy considered its risk management arrangements. The Strategic Risk Register is a working document that is continually updated by the Headteacher in conjunction with other governors and staff members. The Strategic Risk Register seeks to both identify the likelihood of a risk occurring, its impact and actions that are being taken to mitigate the risk.

The Academy operates systems of internal financial control and checks which are examined periodically by the Academy's auditor and by independent professional reviews.

Principal Risks and Uncertainties

The Academy last reviewed its Risk Register, with governors, in the Autumn Term 2024. The key financial risks identified include:-

- Inadequate financial controls in place
- Uncertainty about ESFA funding in future and inflationary pressures.
- Little investment monies are available so need to consider external income stream opportunities in order to support its strategic investment plans.

The Academy Risk Register shows that the current risk level for each of the above is low. The Risk Register shows a higher concern for maintaining / increasing our numbers on roll given the high percentage of our cohort travelling to the school from out of catchment. The latest confidential data on the number of new Year 7 entries (2025-26) has demonstrated a reduction of numbers from the previous year but this is reflecting a local picture and is indicative of falling primary numbers for this year group. Our popularity is increasing within our local and wider community and we have the potential to increase numbers in all other years to off-set this risk.

Fundraising

The Academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the trustees. The Academy reviews the systems in place to ensure compliance with legal rules and requirements for fundraising, including an open and accessible complaints procedure should any concerns be raised about fundraising. No complaints were received during the year.

REPORT OF THE GOVERNORS (continued)

PLANS FOR FUTURE PERIODS

The Academy Improvement Plan is reviewed on an ongoing basis. The plan demonstrates that the Academy aligns its strategic thinking with our shared ethos and values.

The Academy Improvement Plan (AIP) sets out areas identified for improvement. It is informed by:

- Key issues identified in the school's most recent Ofsted report (June 2024);
- The progress and outcomes of students;
- Internal reviews and monitoring;
- External support and reviews

The AIP enables the evaluation of the impact of the school's improvement strategies and forms the "mechanism" through which the governing body holds school leaders to account. It is a "living document", used routinely by members of staff as a point of reference and to inform practice, planning and decision making.

It is expected on 1 April 2025 that the school and buildings are being transferred to East Anglian School Trust (EAST). Holbrook Academy would no longer trade, and the Trustees will wind the company up.

Auditor

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors 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.

Governors' report, incorporating strategic report, approved by order of the members of the Governing Body, as the company directors, on 27/3/2025 and signed on its behalf by:

H Butler



Chair of Governors

GOVERNANCE STATEMENT**Scope of Responsibility**

As Governors, we acknowledge we have overall responsibility for ensuring that Holbrook 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 Governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Governing Body has delegated the day-to-day responsibility to the Headteacher, 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 Holbrook Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The governing body has formally met four times during the year. Attendance during the year at meetings of the governing body was as follows:-

Governor	Meetings attended	Out of a possible
G Anstee-Parry (Acting Headteacher 1/9/2023 - 31/8/2024)	4	4
A Butler (Appointed 6 February 2024)	1	2
H Butler	4	4
D Cook	4	4
N Cordle	1	4
L Cullen (Resigned 22 April 2024)	2	3
C Elliott - Headteacher (Appointed 1 September 2024)	0	0
C Norman	3	4
L Parker	4	4
A Peters (Resigned 31 July 2024)	0	4
P Sago	2	4
M Slattery	4	4
S Spiers	2	4
D Thomas	3	4
A Williamson (Resigned 6 February 2024)	2	3
C Wise	2	4

The Full Governing Body has met less than six times during the year but has regularly received a detailed income and expenditure report showing any variations to the budget, a report explaining any variations and a cashflow report. In addition to the meetings listed above and below ongoing monitoring meeting were held between the management and Committee Chairs. This has ensured effective financial management throughout the year.

The main challenges that have arisen for the Governors this year were:

- Financial pressures including unfunded pay awards and rising fuel costs
- Responding to Progress 8 outcomes lower than national average
- Widening of the progress gap between Disadvantaged and Non-Disadvantaged cohort
- Exploration of Holbrook Academy joining a Multi-Academy Trust (MAT)
- A new Headteacher appointed to start in September 2024.

GOVERNANCE STATEMENT (continued)**Finance and Personnel Committee**

The Finance and Personnel Committee meets at least termly and is a sub-committee of the Full Governing Body. The Committee oversees the monitoring of the budget and forward financial planning of the Academy. The Committee also made sure the Academy has effective management structures in place and policies are regularly reviewed and updated to ensure the well-being and development of staff.

The Finance and Personnel Committee has formally met five times during the year. Attendance during the year at meetings of the governing body was as follows: -

Governor	Meetings attended	Out of a possible
H Butler	5	5
D Cook	2	5
N Cordle	5	5
L Cullen (Resigned 22 April 2024)	1	3
C Norman	2	3
P Sago	1	5
S Spiers	4	5
A Williamson (Resigned 6 February 2024)	1	2

Conflicts of interest

The Trust maintains and manages an up-to-date and complete register of interests. This is reviewed each term by the board of trustees. Senior Leadership are aware of the contents and ensure that any transactions are checked against the register.

Governance Review

Governors undertake a review of their work and effectiveness on a yearly basis and incorporate areas of improvement in their development plan and training plan. The following reviews were undertaken:

- Review of Skills audit for governors leading to bespoke CPD programme
- Governance Audit completed with Schools Choice
- Review of Academy Improvement Plan based on whole school priorities
- Weekly review meetings between Headteacher and Chair of Governors

Review of Value for Money

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

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the board of Governors where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

- Continuing to work closely with the Finance team and senior leadership team to review the curriculum offer for all students and making changes to ensure value for money. This included changes to the Academy day to maximise learning time for students.
- Keeping staffing costs under review and making changes as and when the opportunity arises.

GOVERNANCE STATEMENT (continued)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy 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 for Holbrook Academy for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been or are being implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy'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 financial statements. This process is regularly reviewed by the Governing Body.

During the course of the year the systems for identifying, evaluating and managing the Academy's significant risks were developed and strengthened. The Risk register is a working document that is regularly reviewed and updated.

The Risk and Control Framework

The Academy'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:

- (i) Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body.
- (ii) Regular reviews by the Finance and Personnel Committee of reports which indicate financial performance against forecasts and of major purchase plans, capital works and expenditure programmes.
- (iii) Setting targets to measure financial and other performance.
- (iv) Identification and management of risks.
- (v) Delegation of authority and segregation of duties.
- (vi) Clearly defined purchasing (asset purchase or capital investment) guidelines.

The Governors are cognisant of the Academy's key risks and have implemented management action accordingly.

The Governors continued to procure the services of Lovewell Blake LLP to act as the Academy's external auditor.

The Governing Body had considered the need for a specific internal audit function and has decided not to appoint an internal auditor.

The Governing Body continued to use Schools' Choice Ltd, an independent organisation within Suffolk County Council, to conduct independent checks for the year in question. This role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. Schools Choice Ltd performed a range of reviews during the year covering Risk Management, Business Continuity, Cyber Security, Monitoring and Review and the planning cycle and budget.

GOVERNANCE STATEMENT (continued)

Review of Effectiveness

As Accounting Officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by;

- the work of the external auditor,
- the work of the independent review of financial controls by Schools Choice Ltd,
- an update of the Academy's financial policy and procedures,
- the work of the Finance and Personnel Committee which has responsibility for the monitoring of the internal control framework, and
- the strong financial skill set of the Finance and Personnel Committee.

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

Conclusion

Based on the advice of the Audit and Risk Committee and the accounting officer, the Board of Trustees is of the opinion that the Trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Governing Body on and signed on 27/3/2025 its behalf by:



H Butler
Chair of Governors



C Elliott
Headteacher and Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

- Matter 1: Non-financial issue
No internal audits took place during the year.
- Matter 2: Non-financial issue
No management accounts produced for finance meetings.

C Elliott
Accounting Officer



STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who act as Trustees of Holbrook Academy and are also the directors of the Academy for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy will continue in business.

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

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

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

Approved by order of the members of the Governing Body on 27/3/2025 and signed on its behalf by:



H Butler
Chair of Governors

Independent Auditor's Report to the members of Holbrook Academy

Opinion

We have audited the financial statements of Holbrook Academy (the 'academy trust') 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 financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Emphasis of Matter

We draw attention to Note 28 of the financial statements, which gives details concerning the transfer of the Academy to East Anglian School Trust (EAST) which was completed subsequent to 31 August 2024. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

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

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

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

Independent Auditor's Report to the members of Holbrook Academy (continued)

Other information

The other information comprises the information included in the Report of the Governors, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Report of the Governors (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Governors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Independent Auditor's Report to the members of Holbrook Academy (continued)

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

Auditor responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance to confirm there are no instances of fraud or non-compliance with laws and regulations;
- Reviewing journal entries to ensure they are appropriate and do not indicate management override;
- Review of key accounting estimates, to ensure reasonable and no signs of management bias;
- Review of disclosures within the financial statements and vouching these to supporting documentation to ensure compliance with applicable laws and regulations;
- We also considered whether the results of our assurance on regularity work identified any indicators of fraud or non-compliance of laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Independent Auditor's Report to the members of Holbrook Academy (continued)

Use of our report

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

LoveWell Blake LLP

MARK PROCTOR FCA DChA (Senior Statutory Auditor)

LOVEWELL BLAKE LLP, Statutory Auditor

Bankside 300

Peachman Way

Broadland Business Park

Norwich

NR7 0LB

29/04/2025

Independent Reporting Accountant's Assurance Report on Regularity to Holbrook Academy and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 12 August 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Holbrook 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 Holbrook Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Holbrook 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 Holbrook Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Holbrook Academy's funding agreement with the Secretary of State for Education dated April 2017 and the Academies 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 includes:

Delegated authorities:

Carrying out the suggested procedures detailed in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.62 – 4.67 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Trust Handbook 2023 regarding write-offs, property transactions, leases, novel and contentious payments, special payments to staff, borrowings, and if the terms of a FNI have been complied with;

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

Transactions with connected parties:

Carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.68 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Trust Handbook 2023 regarding declarations of interest and contracts with connected parties, including governors, and employees providing external consultancy;

Governance:

Carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.69 in considering whether the academy trust has followed its own internal processes and complied with the Academies Trust Handbook 2023 regarding its governance arrangements;

Internal controls:

Identifying the policies, reviewing their effectiveness and testing the operation of controls, through carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.70 in order to consider whether the academy trust has followed its own internal processes and complied with the Academies Trust Handbook 2023 regarding its internal controls;

Procurement:

Identifying the policies, reviewing their effectiveness and testing their operation, through carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.71 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Trust Handbook 2023 regarding its procurement procedures; and

Income:

Considering the conditions associated with specialist grant income and whether it has been spent as the purposes intended.

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 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.

- Matter 1: Non-financial issue
No internal audits took place during the year.
- Matter 2: Non-financial issue
No management accounts produced for finance meetings.

Lovewell Blake LLP

MARK PROCTOR FCA DChA (Reporting Accountant)
LOVEWELL BLAKE LLP
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

29/04/2025

Holbrook Academy

Statement of Financial Activities for the year ended 31 August 2024 (Including Income and Expenditure Account)

	Notes	Unrestricted Funds	Restricted General Funds	Restricted Fixed Assets Fund	Total 2024	Total 2023
		£	£	£	£	£
Income from:						
Donations and capital grants	3	203	-	13,073	13,276	568,353
Charitable activities						
Funding for the academy's educational operations	4	-	4,209,182	-	4,209,182	3,860,723
Other trading activities	5	153,796	76,761	-	230,557	152,636
Investment income	6	2,059	-	-	2,059	881
Total income		<u>156,058</u>	<u>4,285,943</u>	<u>13,073</u>	<u>4,455,074</u>	<u>4,582,593</u>
Expenditure on:						
Raising funds	7	7,203	3,146	-	10,349	10,289
Charitable activities:						
Academy educational operations	7	135,571	4,226,415	236,239	4,598,225	4,149,460
Total expenditure		<u>142,774</u>	<u>4,229,561</u>	<u>236,239</u>	<u>4,608,574</u>	<u>4,159,749</u>
Net income/(expenditure) before transfers		13,284	56,382	(223,166)	(153,500)	422,844
Transfers between funds	16	-	(43,500)	43,500	-	-
Net income/(expenditure) before gains		<u>13,284</u>	<u>12,882</u>	<u>(179,666)</u>	<u>(153,500)</u>	<u>422,844</u>
Other recognised gains:						
Actuarial gains on defined benefit pension scheme	16,26	-	(26,000)	-	(26,000)	99,000
Net movement in funds		<u>13,284</u>	<u>(13,118)</u>	<u>(179,666)</u>	<u>(179,500)</u>	<u>521,844</u>
Reconciliation of funds						
Total funds at 1 September 2023	16	<u>37,543</u>	<u>244,857</u>	<u>7,280,068</u>	<u>7,562,468</u>	<u>7,040,624</u>
Total funds at 31 August 2024	16	<u>50,827</u>	<u>231,739</u>	<u>7,100,402</u>	<u>7,382,968</u>	<u>7,562,468</u>

All of the Academy's activities derive from continuing activities during the above two financial years.

An analysis by fund of the comparatives figures for 2023 is shown in note 2.

The notes on pages 26 to 42 form part of these financial statements

Holbrook Academy

Balance Sheet as at 31 August 2024

Company No: 07654882

	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	11	<u>7,100,402</u>	<u>7,265,113</u>
Current assets			
Stocks	12	13,848	9,472
Debtors	13	382,856	434,287
Cash at bank and in hand		<u>179,887</u>	<u>317,278</u>
		576,591	761,037
Current liabilities			
Creditors: amounts falling due within one year	14	<u>(294,025)</u>	<u>(463,682)</u>
Net current assets		<u>282,566</u>	<u>297,355</u>
Total assets less current liabilities		7,382,968	7,562,468
Net assets excluding pension liability		<u>7,382,968</u>	<u>7,562,468</u>
Defined benefit pension scheme liability	26	-	-
Total net assets		<u><u>7,382,968</u></u>	<u><u>7,562,468</u></u>
Funds of the Academy			
Restricted funds			
- Fixed asset fund	17	7,100,402	7,280,068
- General funds	17	231,739	244,857
- Pension reserve	17	-	-
Total restricted funds		<u>7,332,141</u>	<u>7,524,925</u>
Unrestricted funds	17	<u>50,827</u>	<u>37,543</u>
TOTAL FUNDS		<u><u>7,382,968</u></u>	<u><u>7,562,468</u></u>

The financial statements on pages 23 to 42 were approved by the Governors, and authorised for issue on 27 March 2025 and are signed on their behalf by:



H Butler
Chair of Governors

The notes on pages 26 to 42 form part of these financial statements.

Holbrook Academy

Statement of Cash Flows for the year ended 31 August 2024

	Notes	2024 £	2023 £
Cash flows provided by operating activities			
Net cash provided/(used in) by operating activities	20	(80,995)	130,408
Cash flows (used in) financing activities	21	-	(1,350)
Cash flows (used in) investing activities	22	(56,396)	(2,578)
Change in cash and cash equivalents in the year		<u>(137,391)</u>	<u>126,480</u>
Reconciliation of net cash flow to movement in net funds			
Cash and cash equivalents at 1 September 2023		<u>317,278</u>	<u>190,798</u>
Cash and cash equivalents at 31 August 2024	23	<u>179,887</u>	<u>317,278</u>

The notes on pages 26 to 42 form part of these financial statements.

1 Statement of Accounting policies

General information

Holbrook Academy is a company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 2 of these financial statements. The nature of the academy trust's operations and principal activities are set out in the Governors' Report on pages 3 to 10.

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.

Basis of preparation

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

Going Concern

It is expected on 1 April 2025 that the school and buildings are being transferred to East Anglian School Trust (EAST). Holbrook Academy would no longer trade, and the Trustees will wind the company up.

Income

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

Grants

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant 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.

Other income

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

Donated fixed assets (excluding Transfers on conversion/into the Trust)

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

1 Accounting policies (*continued*)

Expenditure (*continued*)

Raising funds

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

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged 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 at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

Leasehold land	125 years
Leasehold buildings	2% to 5%
Plant and machinery	5 to 20%
Furniture and equipment	10%
Computer equipment and software	33%

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.

Stock

Stock consists of consumables and goods for resale and is valued at the lower of cost and net realisable value.

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.

Leased Assets

Rentals under operating leases are charged to the Statement of Financial Activities on straight line basis over the lease term.

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14 and 16. 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.

Taxation

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

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

Pensions Benefits

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

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

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

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

Where a pension scheme is in surplus, the resulting defined benefit plan asset is only recognised to the extent that the academy trust is able to recover the surplus either through reduced contributions in the future or through refunds from the plan, in accordance with FRS102 28.22.

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 Department for Education Group.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit asset, or liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Trust has recognised the value of its leasehold property at a valuation prepared on behalf of the Education and Skills Funding Agency. This property is depreciated over 50 years with the land over the life of the lease, which in most cases is 125 years.

2 Statement of Financial Activities for the year ended 31 August 2023

	Notes	Unrestricted Funds	Restricted General Funds	Restricted Fixed Assets Fund	Total 2023
		£	£	£	£
Income from:					
Donations and capital grants	3	1,059	-	567,294	568,353
Charitable activities					
Funding for the academy's educational operations	4	-	3,860,723	-	3,860,723
Other trading activities	5	118,906	33,730	-	152,636
Investment income	6	881	-	-	881
Total income		<u>120,846</u>	<u>3,894,453</u>	<u>567,294</u>	<u>4,582,593</u>
Expenditure on:					
Raising funds	7	3,824	6,465	-	10,289
Charitable activities:					
Academy educational operations	7	99,105	3,817,543	232,812	4,149,460
Total expenditure	7	<u>102,929</u>	<u>3,824,008</u>	<u>232,812</u>	<u>4,159,749</u>
Net (expenditure) before transfers		17,917	70,445	334,482	422,844
Transfers between funds	16	54,587	(74,351)	19,764	-
Net (expenditure) before gains		<u>72,504</u>	<u>(3,906)</u>	<u>354,246</u>	<u>422,844</u>
Other recognised gains:					
Actuarial gains on defined benefit pension scheme	16,26	-	99,000	-	99,000
Net movement in funds		72,504	95,094	354,246	521,844
Reconciliation of funds					
Total funds brought forward	16	(34,961)	149,763	6,925,822	7,040,624
Total funds carried forward	16	<u>37,543</u>	<u>244,857</u>	<u>7,280,068</u>	<u>7,562,468</u>

Holbrook Academy

Notes forming part of the financial statements for the year ended 31 August 2024 (Continued)

3 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Capital grants	-	13,073	13,073	267,294
Donations	203	-	203	1,059
Donated assets	-	-	-	300,000
	<u>203</u>	<u>13,073</u>	<u>13,276</u>	<u>568,353</u>

Capital grants of £13,073 (2023: £267,294) were received from the ESFA.

4 Funding for Academy Trust's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
DfE/ESFA Grants				
General Annual Grant (GAG)	-	3,615,081	3,615,081	3,336,612
Other DfE/ESFA grants				
Schools Supplementary Grant	-	-	-	101,845
Pupil Premium	-	144,163	144,163	133,826
Recovery Premium	-	36,087	36,087	35,500
National Tutoring Programme	-	8,910	8,910	21,384
Mainstream Schools Additional Grant	-	127,222	127,222	53,008
Teachers' Pay Additional Grant	-	64,986	64,986	-
Teachers' Pension Grant	-	33,424	33,424	-
Others	-	18,093	18,093	31,254
	<u>-</u>	<u>4,047,966</u>	<u>4,047,966</u>	<u>3,713,429</u>
Other Government Grants				
Local authority grants	-	161,216	161,216	147,294
	<u>-</u>	<u>4,209,182</u>	<u>4,209,182</u>	<u>3,860,723</u>

5 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Academy Trips	-	71,239	71,239	28,754
Catering Income	130,955	-	130,955	97,114
Income from services provided	4,078	-	4,078	4,475
Items sold	4,877	2,956	7,833	6,834
Hire of facilities	13,456	-	13,456	13,976
Fundraising	430	2,566	2,996	1,238
Other income	-	-	-	245
	<u>153,796</u>	<u>76,761</u>	<u>230,557</u>	<u>152,636</u>

6 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Bank interest	2,059	-	2,059	881

Holbrook Academy

Notes forming part of the financial statements for the year ended 31 August 2024 (Continued)

7 Expenditure

	Staff costs £	Non Pay Premises £	Expenditure Other costs £	Total 2024	Total 2023
Expenditure on raising funds – Direct costs	-	-	10,349	10,349	10,289
Academy's educational operations:					
Direct costs	2,836,504	236,239	322,278	3,395,021	3,038,745
Allocated Support costs	521,734	175,829	505,641	1,203,204	1,110,715
Total expenditure	3,358,238	412,068	838,268	4,608,574	4,159,749

Net (expenditure)/income for the year includes:

	2024 £	2023 £
Operating lease rentals	5,553	6,985
Depreciation	236,239	232,812
Fees payable to auditor for:		
Audit	24,790	14,855
other services	2,485	2,380

Analysis of support costs

	Total 2024 £	Total 2023 £
Support staff costs	547,734	503,455
Pension finance costs	(26,000)	40,000
Premises costs	175,829	186,595
Other support costs	473,359	360,318
Governance costs	32,282	20,347
Total support costs	1,203,204	1,110,715

Analysis of governance costs

	Unrestricted Funds £	Restricted Funds £	Total 2024	Total 2023
Auditor's remuneration				
Audit of financial statements - this year	-	19,145	19,145	14,855
- prior year under accrual	-	5,645	5,645	-
Other services	-	2,485	2,485	2,380
Legal and professional fees	-	5,007	5,007	3,112
	-	32,282	32,282	20,347

8 Staff

	2024	2023
a. Staff costs	£	£
Staff costs during the period were:		
Wages and salaries	2,454,338	2,287,287
Social security costs	241,582	214,455
Pension costs – Teachers' Pension Scheme	381,311	338,573
Pension costs – Operating costs of defined pension schemes	154,862	197,062
	3,232,093	3,037,377

Supply staff costs	126,145	75,113
Staff restructuring costs	-	4,652
	3,358,238	3,117,142

Staff restructuring costs comprise:

	2024 £	2023 £
Severance payments	-	4,652

b. Staff numbers

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

Charitable Activities

Teachers	39	39
Administration and support	38	37
Management	5	4
	82	80

c. Higher paid staff

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

	2024	2023
£60,001 - £70,000	-	-
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 2. The total amount of key management personnel benefits (including employer pension costs and employer national insurance contributions) received by key management personnel for their services to the academy trust was £367,723 (2023: £353,348).

9 Related Party Transactions – Trustees' Remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees.

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

	Remuneration 2024	2023	Employer's pension contributions 2024	2023
G Anstee-Parry	£85,000-£90,000	£75,000-£80,000	£10,000-£15,000	£20,000-£25,000
T Maltby	-	£90,000-£95,000	-	£20,000-£25,000

During the year ended 31 August 2024, expenses totalling £Nil were reimbursed to governors (2023: £Nil).

10 Governors and officers insurance

The academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK Government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme. The cost of this insurance is in the total costs of insurance and the cost for the period ended 31 August 2024 was £17,449.

11 Tangible fixed assets

	Long leasehold land and buildings	Plant and machinery	Furniture and equipment	Computer equipment and software	Total
	£	£	£	£	£
Cost:					
At 1 September 2023	8,384,920	414,501	334,690	372,711	9,506,822
Additions	53,030	-	14,985	3,513	71,528
At 31 August 2024	8,437,950	414,501	349,675	376,224	9,578,350
Depreciation:					
At 1 September 2023	1,599,987	253,057	47,128	341,537	2,241,709
Charge for period	156,160	26,973	29,411	23,695	236,239
At 31 August 2024	1,756,147	280,030	76,539	365,232	2,477,948
Net written down value					
At 31 August 2024	6,681,803	134,471	273,136	10,992	7,100,402
At 31 August 2023	6,784,933	161,444	287,562	31,174	7,265,113

Included within Leasehold Land and Buildings are the valuations prepared on behalf of the Education and Skills Funding Agency on conversion to an academy of £6,862,686 (Land £2,109,830 and Buildings £4,752,856). All other additions post conversion are included at cost, other than in 2023, there were donated assets valued at £300,000.

The Academy trust holds a long-term lease of 125 years for the Land and Buildings owned by Suffolk County Council for £nil consideration.

Holbrook Academy

Notes forming part of the financial statements for the year ended 31 August 2024 (Continued)

12 Stock

	2024 £	2023 £
Consumables	12,008	4,775
Items for re-sale	1,840	4,697
	<u>13,848</u>	<u>9,472</u>

13 Debtors

	2024 £	2023 £
Prepayments and accrued income	192,594	284,637
VAT recoverable	190,262	118,688
Other Debtors	-	30,962
	<u>382,856</u>	<u>434,287</u>

Included within prepayments is £32,988 (2023: £38,658 relating to services in advance. Of the £32,988 included in prepayments £19,516 (2023: £23,628) is due after more than one year.

14 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	38,972	59,361
Taxation and social security	56,912	50,985
Other creditors	64,701	72,693
Accruals and deferred income	133,440	280,643
	<u>294,025</u>	<u>463,682</u>

15 Deferred income

	2024 £	2023 £
Deferred income		
Deferred income at 1 September 2023	-	-
Resources deferred in year	47,180	-
Amounts released from previous year	-	-
	<u>47,180</u>	<u>-</u>
Deferred income at 31 August 2024		
	<u>47,180</u>	<u>-</u>

Deferred income relates to grant and educational trip income received in advance.

Holbrook Academy

Notes forming part of the financial statements for the year ended 31 August 2024 (Continued)

16 Funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains, Losses and Transfers £	Balance at 31 August 2024 £
Restricted general funds					
General Annual Grant	189,156	3,615,081	(3,588,092)	(43,500)	172,645
Pupil Premium	-	144,163	(144,163)	-	-
Recovery Premium	-	36,087	(36,087)	-	-
National Tutoring Programme	-	8,910	(8,910)	-	-
Mainstream Schools Additional Grant	-	127,222	(127,222)	-	-
Teachers' Pay Additional Grant	-	64,986	(64,986)	-	-
Teachers' Pension Grant	-	33,424	(33,424)	-	-
Other DfE/ESFA grants	8,577	18,093	(18,027)	-	8,643
Special Educational Needs /	6,222	161,216	(161,216)	-	6,222
Other Local Authority grants	40,902	76,761	(73,434)	-	44,229
Other Restricted Funds	<u>244,857</u>	<u>4,285,943</u>	<u>(4,255,561)</u>	<u>(43,500)</u>	<u>231,739</u>
Restricted pension fund	-	-	26,000	(26,000)	-
Pension reserve					
Restricted Fixed Assets					
Transferred on conversion	5,434,174	-	(111,936)	-	5,322,238
DfE/ESFA capital grants	1,679,538	13,073	(124,303)	-	1,568,308
Capital expenditure from GAG	166,302	-	-	43,500	209,802
Capital expenditure from other funds	54	-	-	-	54
	<u>7,280,068</u>	<u>13,073</u>	<u>(236,239)</u>	<u>43,500</u>	<u>7,100,402</u>
Total Restricted Funds	<u>7,524,925</u>	<u>4,299,016</u>	<u>(4,465,800)</u>	<u>(26,000)</u>	<u>7,332,141</u>
Unrestricted funds					
Unrestricted funds	<u>37,543</u>	156,058	(142,774)	-	<u>50,827</u>
Total Funds	<u>7,562,468</u>	<u>4,455,074</u>	<u>(4,608,574)</u>	<u>(26,000)</u>	<u>7,382,968</u>

Holbrook Academy

Notes forming part of the financial statements for the year ended 31 August 2024 (Continued)

16 Funds (continued)

31 August 2023

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, Losses and Transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant	166,521	3,438,457	(3,341,471)	(74,351)	189,156
Pupil Premium	-	133,826	(133,826)	-	-
Recovery Premium	3,705	35,500	(39,205)	-	-
National Tutoring Programme	-	21,384	(21,384)	-	-
Mainstream Schools Additional Grant	-	53,008	(53,008)	-	-
Other DfE/ESFA grants	2,879	31,254	(25,556)	-	8,577
Special Education Needs	-	111,733	(111,733)	-	-
Other Local Authority Grants	-	35,561	(29,339)	-	6,222
Other Restricted Funds	<u>35,658</u>	<u>33,730</u>	<u>(28,486)</u>	<u>-</u>	<u>40,902</u>
	<u>208,763</u>	<u>3,894,453</u>	<u>(3,784,008)</u>	<u>(74,351)</u>	<u>244,857</u>
Restricted pension fund					
Pension reserve	<u>(59,000)</u>	<u>-</u>	<u>(40,000)</u>	<u>99,000</u>	<u>-</u>
Restricted Fixed Assets					
Transferred on conversion	5,546,110	-	(111,936)	-	5,434,174
DfE/ESFA capital grants	1,232,858	567,294	(120,614)	-	1,679,538
Capital expenditure from GAG	146,800	-	(262)	19,764	166,302
Capital expenditure from other funds	<u>54</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54</u>
	<u>6,925,822</u>	<u>567,294</u>	<u>(232,812)</u>	<u>19,764</u>	<u>7,280,068</u>
Total Restricted Funds	<u>7,075,585</u>	<u>4,461,747</u>	<u>(4,056,820)</u>	<u>44,413</u>	<u>7,524,925</u>
Unrestricted funds					
Unrestricted funds	<u>(34,961)</u>	<u>120,846</u>	<u>(102,929)</u>	<u>54,587</u>	<u>37,543</u>
Total Funds	<u>7,040,624</u>	<u>4,582,593</u>	<u>(4,159,749)</u>	<u>99,000</u>	<u>7,562,468</u>

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

Restricted general funds relate to GAG, other DfE/ESFA grants and local authority. The restricted income fund is for the purpose of specific expenditure within the Academy's declared objectives. DfE/ESFA grants relate to government funding for the provision of education by the Academy. Funding may be repayable if the Academy does not meet all funding requirements.

The pension reserve relates to the deficit on the local government pension fund. Any increase in pension contributions suggested by the Scheme Actuary should be able to be met from the academy's budgeted annual income.

Fixed asset funds are the value of fixed assets acquired on conversion, from DfE/ESFA capital grants, GAG funding and other funds used for capital projects less related depreciation.

Other restricted funds relates to funding received from other bodies towards a specific purpose.

Holbrook Academy

Notes forming part of the financial statements for the year ended 31 August 2024 (Continued)

17 Analysis of net assets between funds

	Unrestricted funds	Restricted General funds	Restricted Fixed asset funds	Total Funds 2024
				£
Funds balances at 31 August 2024 are represented by				
Tangible fixed assets	-	-	7,100,402	7,100,402
Current assets	50,827	481,466	44,298	576,591
Current liabilities	-	(249,727)	(44,298)	(294,025)
Pension scheme liabilities	-	-	-	-
Total net assets	50,827	231,739	7,100,402	7,382,968

	Unrestricted funds	Restricted General funds	Restricted Fixed asset funds	Total Funds 2023
				£
Funds balances at 31 August 2023 are represented by				
Tangible fixed assets	-	-	7,265,113	7,265,113
Current assets	37,543	499,582	223,912	761,037
Current liabilities	-	(254,725)	(208,957)	(463,682)
Pension scheme liabilities	-	-	-	-
Total net assets	37,543	244,857	7,280,068	7,562,468

18 Financial commitments

At 31 August 2024 the Academy had annual commitments under non-cancellable operating leases as follows:

	2024 £	2023 £
Amounts due within one year	1,487	6,801
Amounts due between one and five years	-	491
	1,487	7,292

19 Capital commitments

At 31 August 2024 the Academy had capital commitments relating to an ongoing capital project totalling £Nil (2023: £14,954).

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

	2024	2023
	£	£
Net income/(expenditure) for the year	(153,500)	422,844
Depreciation (note 11)	236,239	232,812
Capital grants from DfE and other capital income (note 3)	(13,073)	(567,294)
Interest receivable (note 6)	(2,059)	(881)
Defined benefit pension scheme cost less contributions payable (note 26)	(5,000)	37,000
Defined benefit pension scheme finance cost (note 26)	(21,000)	3,000
Decrease/(increase) in stocks	(4,376)	4,014
Increase in debtors	51,431	(210,296)
Increase in creditors	(169,657)	209,209
Net cash provided (used by) / by operating activities	(80,995)	130,408

21 Cash flows (used in) financing activities

	2024	2023
	£	£
Repayments of borrowing	-	(1,350)
Net cash (used in) financing activities	-	(1,350)

22 Cash flows from investing activities

	2024	2023
	£	£
Interest received	2,059	881
Capital grants from DfE/ESFA	13,073	267,294
Purchase of tangible assets	(71,528)	(270,753)
Net cash (used in) investing activities	(56,396)	(2,578)

23 Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash at bank and in hand	179,887	317,278
	179,887	317,278

24	Analysis of changes in debt	At 1 September 2023 £	Cash Flows £	At 31 August 2024 £
	Cash	317,278	(137,391)	179,887
	Total	317,278	(137,391)	179,887

25 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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

26 Pensions and similar obligations

The academy'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 Suffolk County Council. Both are multi-employer defined-benefit scheme.

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

Contributions amounting to £63,989 (2023: £55,826) 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 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 and subsequent consultation 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 costs control results 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.

26 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £381,311 (2023: £338,573).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £224,000 (2023: £197,000), of which employer's contributions totalled £174,000 (2023: £153,000) and employees' contributions totalled £50,000 (2023: £44,000). The agreed contribution rates for future years are 5.5% to 12.5% for employees and between 21.1% to 27.6% for employers together.

Where a pension scheme is in surplus, the resulting defined benefit plan asset is only recognised to the extent that the academy trust is able to recover the surplus either through reduced contributions in the future or through refunds from the plan, in accordance with FRS102 28.22.

The scheme is in surplus by £665k, however this surplus has not been recognised as an asset in these accounts in accordance with the academy trust's accounting policy, as the academy trust is unable to recover the surplus through reduced contributions in the future, or through refunds from the plan.

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

Principal Actuarial Assumptions

	At 31 August 2024	At 31 August 2023
	% p.a.	% p.a.
Pension increase rate	2.65	3.00
Salary increase rate	3.65	4.00
Discount rate	5.00	5.20
Inflation assumption (CPI)	2.65	3.00
Commutation of pensions to lump sums	55.00	55.00

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 August 2024	Approximate % increase to Employer Liability	Approximate monetary amount £000
0.1% decrease in Real Discount Rate	2%	59
1 year increase in member life expectancy	4%	119
0.1% increase in Salary increase rate	0%	2
0.1% increase in Pension increase rate	2%	58

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

	At 31 August 2024	At 31 August 2023
	Years	Years
<i>Retiring today</i>		
Male	19.3	19.4
Female	24.9	24.9
<i>Retiring in 20 years</i>		
Male	21.1	21.2
Female	25.8	25.9

Holbrook Academy

Notes forming part of the financial statements for the year ended 31 August 2024 (Continued)

26 Pension and similar obligations (continued)

The Academy's share of the assets in the scheme were:

	Value at 31 August 2024 £000	Value at 31 August 2023 £000
Equities	2,367	2,050
Bonds	983	777
Property	255	249
Cash	36	31
Asset ceiling adjustment	(665)	(405)
Total market value of assets	2,976	2,702

The actual return on scheme assets was £398,000 (2023: £151,000)

Amounts recognised in the statement of financial activities

	2024 £000	2023 £000
Current service cost	169	190
Interest cost	144	126
Interest income	(165)	(123)
Total amount recognised in the statement of financial activities	148	193

Changes in the present value of defined benefit obligations:

	2024 £000	2023 £000
At 1 September	2,702	2,891
Current service cost	169	190
Interest cost	144	126
Employee contributions	50	44
Actuarial gain	(1)	(476)
Benefits paid	(88)	(73)
At 31 August	2,976	2,702

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

	2024 £000	2023 £000
At 1 September	2,702	2,832
Interest income	165	123
Actuarial gain	233	28
Employer contributions	174	153
Employee contributions	50	44
Benefits paid	(88)	(73)
Asset ceiling adjustment	(260)	(405)
At 31 August	2,976	2,702

Asset ceiling restriction:

	2024 £000	2023 £000
At 1 September	405	-
Restriction in year	260	405
At 31 August	665	405

27 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 a trustee has an interest. The following related party transactions took place during the year:

Expenditure Related Party Transactions

- The Academy purchased careers advice for students from an organisation called Career Directions. The advisor is Mrs Pawlewski, the wife of one of the governors, Mr M Pawlewski. An exercise was done to check availability and cost of similar services and it was determined that this service was the best in terms of price and quality. The value of the transactions during 2023-24 totalled £Nil excluding VAT (2022-23: £4,645).
- Mr S Beazley, husband of Mrs S Beazley the company secretary, is employed by the academy trust as site manager. Mr S Beazley's appointment was made in open competition and Mrs S Beazley was not involved in the decision-making process regarding appointment. Mr S Beazley is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship with the company secretary.

In entering into the above transactions the academy has complied with the requirements of the ESFA's Academies Financial Handbook.

28 Subsequent events

It is expected on 1 April 2025 that the school and buildings are being transferred to East Anglian School Trust (EAST). Holbrook Academy would no longer trade, and the Trustees will wind the company up.