

Company Registration Number: 07597390 (England & Wales)

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2025

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

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Reference and Administrative Details

Members	Mr A Hunt Mr P Irons Mr M Blatchly (Resigned 5 July 2025) Mrs U Afzal (Resigned 5 July 2025) Mr A Hicks (Appointed 1 July 2025) Ms A Smart-Gosrani (Appointed 1 July 2025)
Governors	Mr P Irons, Chair ¹ Mrs U Afzal Dr M Ahmad Mr W Beasley Mr M Benford ¹ Mr K Beswick Mr M Blatchly ¹ Dr J Daubney Mr S Deadman-Corsie ¹ Mr C Gell Mr L Harrison Mrs R Hudlin ¹ Mr A Hunt, Vice Chair ¹ Mrs A Huskisson Mr N Jackson ¹ Mr J Lovett Mrs S Mohammad Mrs C Mulholland (formerly Donaldson) Mr N Sagoo ¹ Mrs L Silver ¹ members of the Finance, Audit and Risk Committee
Company registered number	07597390
Company name	The Fernwood Academy Trust
Principal and registered office	The Fernwood Academy Trust Goodwood Road Nottingham Nottinghamshire NG8 2FT
Company secretary	Mrs S T Law

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Reference and Administrative Details (continued)
For the year ended 31 August 2025

Senior management team

Mr C J Gell, Headteacher
Mrs J Gray, Deputy Headteacher
Mrs J Eldridge, Deputy Headteacher
Mrs A Cannon, Assistant Headteacher
Mr M Hughes, Assistant Headteacher
Mr S Crandley, Assistant Headteacher
(Resigned December 2024)
Mr D Jones, Assistant Headteacher
Mrs M Morrill, Assistant Headteacher
(Retired December 2024)
Mr C Foulks, Assistant Headteacher
(Appointed April 2025)
Mr M Rothwell, Assistant Headteacher
(Appointed January 2025)

Independent external auditors

PKF Smith Cooper Audit Limited
Statutory Auditors
2 Lace Market Square
Nottingham
NG1 1PB

Bankers

Lloyds
Old Market Square
Nottingham
Nottinghamshire
NG1 6FD

Independent internal auditors

Wright Vigar
Alexandra House
43 Alexandra Street
Nottingham
NG5 1AY

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Governors' Report
For the year ended 31 August 2025

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the 1 September 2024 to 31 August 2025. The annual report serves the purposes of both a Governors' report and a directors' report under company law.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy.

The Governors of The Fernwood Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Fernwood Academy.

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

b. 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.

c. Governors' indemnities

During the period, an indemnity from the Charitable Company was available to the Governors against liabilities that might be incurred by them in defending proceedings against them in respect of the affairs of the Charitable Company. The indemnity is subject to the provisions of the Companies Act and is set out in the Articles of Association. The Trust has purchased Academies Risk Protection Arrangement (RPA) which covers Governors Liability Insurance with unlimited indemnity, the RPA also covers staff.

d. Method of recruitment and appointment or election of Governors

Governors are recruited through a process of application and interview, based on skills, competencies and experience required by the Board from time to time to fulfil its duties. The Board regularly evaluates its skills and competencies to identify areas for recruitment.

The term of office for any Governor shall be 4 years. Subject to eligibility any Governor may be reappointed or re-elected.

The updated articles of association (adopted in February 2025) state that:

- Up to 15 trustees appointed by the members
- A minimum of 2 parent trustees are elected or appointed
- Further co-opted trustees can be appointed by the Governing Body,

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Governors' Report (continued)
For the year ended 31 August 2025

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Governors

The training and induction provided for new Governors will depend on their existing experience. In brief, appropriate training and support is provided to Governors throughout their membership in appropriate areas, for example, induction, or specific areas such as pupil discipline, finance, complaints and admissions. This programme is supplemented by structured Governor visits, including giving Governors a chance to meet staff and students and tour the school. All Governors are provided with copies of policies, procedures, minutes, accounts, budget and other documents that they will need to undertake their role as Governor.

f. Organisational structure

The Governing Body normally meets 6 times each year. The Governing Body establishes an overall framework for the governance of the academy and agrees membership of committees. It receives reports from its committees for approval. It monitors the activities of the committees through the minutes of their meetings. It also establishes the terms of reference for its committees.

The Governing Body is responsible for setting strategy and general policy, adopting an annual plan and budget, monitoring the academy's use of funds and making major decisions about the direction of the academy, capital expenditure and senior staff appointments.

The Principal has responsibility for the day-to-day management of the academy. The Principal is the accounting officer.

g. Arrangements for setting pay and remuneration of key management personnel

The pay policy does not discriminate between key management personnel and other teaching staff and is based on performance management in line with pupil progress and outcomes. The main parameters used for setting key management personnel salaries are national teacher pay and conditions guidance, job responsibilities and experience.

The remuneration of key management personnel is set by the Board of Trustees in accordance with Department for Education guidance. Trustees apply a transparent, proportionate and defensible process, taking into account the scope of responsibilities, benchmarking against comparable trusts, and value for money considerations. Decisions are recorded in minutes, reviewed annually, and disclosed in the financial statements, ensuring compliance with the Academy Trust Handbook and the Nolan principles of public accountability.

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Governors' Report (continued)
For the year ended 31 August 2025

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

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	£000
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Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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Objectives and activities

a. Objects and aims

The principal object of The Fernwood Academy Trust is 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 curriculum with a strong emphasis on care and discipline. In setting our objectives and planning our activities, the Governors have given careful consideration to the charity commission's general guidance on public benefit.

In accordance with The Fernwood Academy Trust's funding agreement, arrangements are made to meet the conditions of grant on such matters as admissions, exclusions, arrangements for pupils with special educational needs (SEN) and the curriculum.

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Governors' Report (continued)
For the year ended 31 August 2025

Objectives and activities (continued)

b. Objectives, strategies and activities

The Fernwood Academy Trust's main strategy is encompassed in its vision and ethos which is to ensure that the academy is one where everybody will achieve the highest standards. In particular we aim to:

- challenge every pupil to raise their aspirations and excel in academic achievements;
- instill in pupils the values and characteristics necessary to become successful, confident and responsible members of society;
- teach pupils the values of self-discipline, resilience and endeavour in order to become life-long learners;
- prepare pupils to participate in and contribute to a society with ever changing scientific, technical and international needs.

To this end, the activities that will be provided include those to:

- establish a broad, balanced and innovative curriculum which integrates theory, practice and has enterprise and 'learning by doing' at its core;
- be relentlessly focused on developing the potential of all students, helping them learn for themselves and then support others;
- foster creativity and initiative, encouraging everyone to aim for excellence in all they do;
- build pride by valuing each and every individual and equipping them to take responsibility for their own actions;
- provide a range of additional enrichment activities for every student beyond the normal academy day;
- build strong partnerships with parents, carers, employers and the local community, with the academy becoming a centre of learning for the local community;
- work with a range of partners, including business, together with further and higher education to enhance the curriculum, provide work placements and to build strong employability skills;
- recruit, retain and develop high quality, enterprising and open minded staff that are positive, cooperative and contributing members of the local community and make best use of existing and new staff expertise;
- make extensive and innovative use of well-designed ICT to engage learners and improve teaching and administration.

c. Public benefit

In setting objectives and planning for activities, the Governors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The main public benefit delivered by The Fernwood Academy Trust is the maintenance and development of a quality education by the school. It is the Governors' aim to deliver outstanding learning to all its students during the journey of improvement towards excellence.

d. Equal opportunities policy

The Governors recognise that equal opportunities should be an integral part of good practice within the work place. The Fernwood Academy Trust aims to establish equal opportunities in all areas of its activities including the creation of a working environment in which the contribution and needs of all people are fully valued.

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Governors' Report (continued)
For the year ended 31 August 2025

Strategic report

Achievements and performance

a. Key performance indicators

This is Fernwood School's fourteenth annual report since converting to academy status on 1st May 2011.

This was the fourth year (post pandemic) where all the national pandemic measures had been lifted. Although the impact from the pandemic was still a significant consideration for schools. The main one this academic year being that progress measures were not being recorded, only attainment measures.

During the reporting year the following achievements, developments, proposals and aspirations were secured, discussed and implemented:

School Standards

- The Attainment 8 score of 53.01 was well above the national average of 46.2 (in 2023).
- 62% of students achieved a grade 5 or above in English and Maths which was well above the national average.
- 78% of students achieved a grade 4 or above in English and Maths which was well above the national average.

Prior performance measures for reference

Performance Measure	2019	2022	2023	2024	2025
Progress 8	0.27	0.43	0.43	0.60	N/A
Attainment 8	52.39	57.98	57.76	59.23	53.01
Percentage of pupils achieving 9-5 in English and Maths	56%	70%	70%	73%	62%
Percentage of pupils achieving 9-4 in English and Maths	78%	83%	85%	89%	78%
Percentage of pupils entering the English Baccalaureate	70%	43%	32%	32%	34%
English Baccalaureate Average Point Score	4.83	5.19	5.07	5.27	4.72
English Baccalaureate (EBacc) Strong Pass	26%	32%	25%	23%	20%
English Baccalaureate (EBacc) Standard Pass	42%	37%	29%	28%	24%
Percentage of pupils staying in education or going into employment after key stage 4	94%	93%	Not avail	Not avail	Not avail

School Staffing

- Inevitably some staff turnover took place over the year, but the Academy continued to be able to attract suitable replacements despite the difficulties experienced nationally in school with recruitment. The process was ably supported by Governors where possible. All appointments were reported to the Academy Trust or Governing Body.
- Outcomes from teachers' performance appraisal in 2023/24 were considered by the Pupils and Personnel committee in the autumn term having regard to targets set for the preceding year in accordance with the Fernwood appraisal process and, in appropriate cases, salary progression was approved with effect from 1st September 2024.

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Governors' Report (continued)
For the year ended 31 August 2025

Strategic report (continued)

Achievements and performance (continued)

- The Academies Financial Handbook in September 2018 determined that formal arrangements for the reporting of executive pay were required. In the circumstances, the Trust established such arrangements, including the appointment of an external consultant to support with target setting for the incoming Head Teacher's performance.

Admissions

- The Governing Body continues to operate as an Own Admissions Authority, adhering to the 2014 School Admissions Code. The Academy continues to be popular and heavily over-subscribed. Some 658 applications were received for the 300 places available for the September 2024 year 7 intake, this being the fifth year of the revised PAN of 300 (the number of applications being slightly down on the 687 received for intake in 2024/25). The increased PAN has relieved the historic local pressure for places as all applications for siblings, in-catchment, feeder school and children of staff members were able to be met.
- Admissions for 2024/25 were ranked in accordance with the Academy's approved admissions arrangements and the Code referred to above. Further internal rigour continues to be added to the process in checking applications. This applies also to in-year applications which the Trust continues to administer internally. Any in-year applications are considered by Governors prior to places being offered. Any appeals against admission decisions are processed in accordance with the 2012 School Admissions Appeals Code and the Trust contracts with Nottingham City Council who provide a Clerked Appeals Service.
- No consultation was required for the proposed admission arrangements for 2026/27 and the Governing Body formally adopted the 2026/27 admission arrangements in January 2025.

Safeguarding/Behaviour/Exclusions

- Senior leadership continued to apply a high priority to safeguarding issues within the school. Staff training was regularly updated, and staff were made aware of the revised Keeping Children Safe in Education guidance, September 2024.
- Three permanent exclusions were issued by the Head Teacher in the reporting year, and the Governing Body's Pupil Discipline Committee upheld the Head's decision in all cases. General information on these cases and also internal and fixed term exclusions are reported to the Governing Body.
- Attendance was monitored and recorded and remains significantly above national average.

Governance

In 2024-2025 it was agreed that the current Articles of Association be updated in line with the DfE model of Articles of Association. The new Articles of Association were approved by the DfE and Charity Commission and implemented by special resolution in February 2025.

In line with the new Articles two new non-trustee members were appointed in July 2025 – Mr A Hicks and Mrs A Smart-Gosrani and the appointment of a further non-trustee member planned for September 2025. Two members who were also trustees resigned.

Under the new articles, where appropriate governors, were re-appointed as member appointed trustees. The process for electing Parent trustees and appointing Co-opted governors remains unchanged under the new articles.

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Governors' Report (continued)
For the year ended 31 August 2025

Strategic report (continued)

Achievements and performance (continued)

The well-established governance arrangements continued throughout 2024-2025:

- 6 formal Board meetings scheduled for the year took place, supported by a committee structure. The Governing Body continued to operate as a strong corporate body.
- There was no membership turnover during the year. The Governing Body consists of suitably skilled and experienced persons.
- The Governing Body continues to feel that it is well led by its Chair who maintains a good working relationship with senior leadership at the school, continuing to hold weekly meetings with the Head Teacher.
- The agenda content for Trust and committee meetings was informed by the guidance from the DfE and NGA.
- The structured schedule of Governor visits took place in the summer term.
- A number of key governor visits took place during the year including Safeguarding visits (termly), pupil premium.
- Governor challenge in holding the Head Teacher to account continues to be a firm feature of all meetings and challenge and questions are recorded in all minutes. Examples of governor impact being the involvement of governors in staff interviews, governor visits and statutory committees.
- The Governing Body subscribed to gold membership of the National Governance Association to enable Governors to have access to a wider range of governance related information including an advice line.
- The practice of providing more information to Governors through presentations to enable them to carry out their core duties more effectively continued: - Charity Ambassadors, Young Carers, Exam Outcomes.
- The termly Head Teacher's report presented at second Board meeting of the term, provided a comprehensive summary of key school information, including student achievement and progress, attendance and behaviour data, safeguarding updates, staff development and performance, curriculum updates, and key strategic priorities.

Key Financial KPIs (2024/25)

- Teacher Costs per Pupil - £5,465
- Staff Costs as a % of Total Costs - 81%
- Staff Costs (Excl agency) as a % of Total Costs - 78%
- Total Costs per Pupil - £8,085
- Unrestricted Reserves as a % of GAG Funding - 5.4%

b. Going concern

After making appropriate enquiries, the board of Governors has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Financial review

The Governing Body was pleased to receive a clean audit in 2024/25 with no significant findings identified by the external auditors. Internal audit reports in the period also continued to find no significant issues.

The Trust remains in a strong financial position with most income obtained from the Department for Education in the form of recurrent grants, with SEN top up and payments for Looked After Children received directly from Local Authorities. All grants received from the Department for Education during the period ending 31 August 2025 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities as use of these funds is restricted to the provision of education. Additional income from out-of-school activities such

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Governors' Report (continued)
For the year ended 31 August 2025

Strategic report (continued)

as room hire, music fees etc. are shown as unrestricted income.

The Fernwood Academy also receives grants for capital projects through Devolved Formula Capital for the purchase of fixed assets from the Department for Education. In accordance with the 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) "SORP 2015" such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Termly reviews of both the in-year revenue budget and the projections of the medium-term financial plan enabled the Governing Body to continue its focus on maintaining the Academy's financial position. Such reports were accompanied by further papers on the Trust's cash flow position and key financial performance indicators.

The prudent financial discipline adopted in previous years informed the termly reviews referred to above and ensured that Governors continued to carry out their strategic financial monitoring role in an effective manner. In setting the budget for 2024/25 the best estimates were applied at the time.

As of 31st August 2025, the net book value of tangible fixed assets was £13,043,000. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

Any deficit/surplus arising in the Local Government Pension Scheme in respect of its non-teaching staff, is recognised on the Balance Sheet in accordance with the provisions of FRS 102.

The total funds are as follows:

- Restricted general funds £582,000
- Unrestricted general funds £485,000
- Restricted pension fund £Nil
- Restricted fixed asset funds £13,043,000

The Trust delivered a strong financial performance in 2024/25 despite sector-wide cost pressures. Total income rose to £11.4m (up from £10m), reflecting the increased PAN of 1,432 pupils and associated funding. The Trust achieved a balanced position, with an in year operating surplus of £434k, before resources were deployed in line with strategic priorities for capital investments in buildings and ICT this resulted in a modest reported deficit of £116k when including expenditure for non-cash depreciation and the capital investments. This deficit being primarily attributable to non-cash depreciation (£563k) and revenue-funded capital investment (£117k), rather than overspending on day-to-day operations.

Staff and associated costs remain the largest area of spend at £8.9m. These figures are consistent with sector benchmarks and demonstrate efficient deployment of resources relative to pupil outcomes.

Unrestricted reserves closed at £485,000, equivalent to 5.4% of GAG funding. This exceeds the Trust's minimum reserves policy of £300,000, providing assurance against unforeseen events. Trustees noted that while reserves are adequate, they remain modest compared to payroll exposure and should be monitored closely and reviewed.

The Trust cash balances improved to £964k, supported by positive operating cash flow of £331k. Operating cash flows remained positive throughout the year supported by disciplined budget management and timely receipt of grant income. Liquidity was sufficient to meet short term obligations and provided assurance against unexpected expenditure requirements.

The Trust's strong fixed asset base of £13m underpins long term sustainability, though the ageing estate continues to present risks requiring ongoing investment. Trustees remain focused on ensuring that reserves, cash holdings and capital planning are aligned to estate needs and are exploring all capital grant funding options. The LGPS actuary valuation resulted in a surplus position, but this is derecognised under FRS102.

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Governors' Report (continued)
For the year ended 31 August 2025

Strategic report (continued)

a. Reserves policy

At 31 August 2025, the academy held total reserves of £14,110,000, including £13,043,000 in fixed asset reserves and £485,000 in unrestricted reserves.

A surplus of £787,000 has arisen on the General Restricted Fund.

The academy will maintain funds of £300,000 in reserves to cover any unexpected urgent expenditure requirements and to cover the cost of replacing existing ICT equipment and building and grounds repairs and replacement when they come to the end of their useful life.

When considering an appropriate level of reserves, the trustees considered:

- The risk of unforeseen emergency or other unexpected need for funds for operation costs and for temporary staff cover.
- Potential falls in a source of income, such as lettings, or projected pupil numbers.
- Planned commitments, or designations, that cannot be met by future income alone, for example, plans for a major capital project.
- The need to fund potential deficits in a cash budget, for example, money may need to be spent before a funding grant is received.

The reserves policy excludes fixed asset reserves. It also excludes any deficit in respect of the pension liability. Balances as at 31 August 2025 exceeded those required to be held under the reserves policy.

b. Investment policy

The Fernwood Academy Trust does not hold any long-term investments. The investment policy is for the academy to seek maximum returns with a low risk profile.

c. Principal risks and uncertainties

Given the nature of the academy's operations and financing, the financial risks faced by the academy are limited. The academy manages such risks by ensuring an adequate level of reserves is maintained to deal with unexpected events. The academy also carefully monitors and manages cash flow throughout the year, including working capital requirements.

The principal risks and uncertainties to which the Trust is exposed, as identified by the Trustees, have been reviewed, and systems and procedures have been established to mitigate those risks. The schedule of risks has been tabled and reviewed by the Board for each term.

The Trusts' exposure to financial risk is minimal, due to the fact that the financial instruments dealt with are largely bank balances, cash and trade creditors with limited trade and other debtors. Cashflow is reviewed on a monthly basis.

The academy maintains a three-year financial plan, which considers various funding scenarios and how these can be managed and planned for. The academy's risk management policy requires the trustees to assess the major risks to which the trust will be exposed and consider how the risks can be managed and mitigated.

Risk Management

Risk management is administered using a bespoke risk management database. This highlights the risks associated with the Trust and shows whether the risk is increasing or decreasing. The risks are managed by the Head of Operations and are updated on at least a termly basis. Risks are shared and explored in detail with Trustees in the risk and audit committee

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Governors' Report (continued)
For the year ended 31 August 2025

Capital works and academy estate

The academy requires large amounts of building and maintenance work to maintain adequate Health and Safety standards, due to the buildings that house the academy being part of an aged estate. The building/maintenance work is planned and continuous but is recognised as a potential to cause disruption to pupils and staff. These risks are managed through timing of building/maintenance works to be scheduled for completion out of school hours and during the holidays where possible.

Child protection and welfare issues

This is managed through having clear child protection and health and safety policies; Adherence to statutory recruitment procedures including DBS checks; child protection training for all staff; conducting external child protection and health and safety audits and implementing any recommendations. The academy employs a dedicated child protection officer and retains the services of a strategic health and safety advisor.

Fundraising

The academy holds regular non-uniform days for pupils to raise funds. The funds are for both the academy and external charities, external fundraising has been undertaken for projects such as Comic Relief and Movember.

The school has a team of Charity Ambassadors for each year group who arrange fundraising/support for a charity chosen by the year group to support for the academic year.

All participation by staff, pupils and parents is completely voluntary. The academy does not work with any commercial participators. All fundraising undertaken during the year was monitored by the Governors.

Funds held as custodian on behalf of others

There are no assets held where the academy trust or its trustees are acting as custodian trustees.

Plans for future periods

In accordance with the aims and objectives of The Fernwood Academy Trust we will continue to support all students in being successful academically so that they can progress to further education, apprenticeship and employment.

The Academy will continue to develop outstanding teaching and learning as identified by Ofsted in March 2024 by attracting, recruiting, and developing outstanding teachers and leaders. This will be achieved by further developing the school's professional development offer.

An executive summary of the school improvement plan (SIP) 2025-26 is shown below:

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Governors' Report (continued)
For the year ended 31 August 2025

Plans for future periods (continued)



The Fernwood School - School Improvement Plan- SIP) 2025-26: Executive Summary



Overarching Aim: Further develop our collective practice to reduce variance in student performance and experience.


	Objective 1	Objective 2	Objective 3
Quality of Education (IE)	ASSESSMENT: To maximise pupil progression through effective use of formative and summative assessment.	LITERACY: To develop a consistent range of reading strategies to ensure children can access the curriculum fully.	CHALLENGE: To develop the quality of questioning to provide challenge for the diverse needs of all children.
Pastoral (IG)	To implement the new Behaviour for Learning policy and processes effectively to promote inclusivity whilst maintaining outstanding behaviour.	To implement an effective pastoral line management structure to further develop our pastoral provision for all children.	To implement the new attendance strategy effectively to raise whole school attendance to 94.5%.
Personal Development (AC)	To embed 'British Values' into the academic and pastoral curriculum to ensure children understand and act upon the values.	To facilitate student leadership opportunities to develop skills and qualities for future life.	To further develop the quality of education in PSHE (PD) through specialist CPDL and increased rigour.
Leadership and management (CG, IE, IG)	To lead the collaborative development of a new Mission and Vision statement and associated values to guide the next phase of our school's evolution.	To lead the implementation planning of the new Enhanced Resource SEND Base (September 2027) so that the provision meets all children's needs.	To develop a comprehensive CPDL programme for all staff to support their development, to succession plan and retain staff.
Operational Delivery (PW)	To develop a 5-year School Estate Management Plan to enhance our learning environment to support outstanding learning.	To effectively transition to an internal finance operation that supports the efficient deployment and management of school funds to provide an outstanding education.	To project manage the construction of the new Enhanced Resource SEND Base and House conversion to maximise operations.
People Development (CG / PW / HW)	Develop an appraisal system for all staff that supports continual professional development and learning to retain, reward and develop staff.	To develop and lead the induction process of all new staff so they have the necessary skills, knowledge and understanding to be successful in their role.	To further develop HR processes and systems so they are clear, communicated, time efficient and automated (where appropriate).

Disclosure of information to auditors

Insofar as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

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


Mr P Irons
Chair of the Governing Body
17/12/25

 
Mr C J Gell
Accounting Officer
17/12/25

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Governance Statement

Scope of responsibility

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

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

The Board of Governors has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Fernwood Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Governors 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 board of Governors has formally met 6 times during the year.

Attendance during the year at meetings of the board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Mr P Irons, Chair	5	6
Mrs U Afzal	5	6
Dr M Ahmad	6	6
Mr W Beasley	4	6
Mr M Benford	6	6
Mr K Beswick	5	6
Mr M Blatchly, Co-Vice Chair	6	6
Dr J Daubney	4	6
Mr S Deadman-Corsie	4	6
Mr C Gell	6	6
Mr L Harrison	4	6
Mrs R Hudlin	5	6
Mr A Hunt, Co-Vice Chair	5	6
Mrs A Huskisson	4	6
Mr N Jackson	6	6
Mr J Lovett	5	6
Mrs S Mohammad	4	6
Mrs C Mulholland (formerly Donaldson)	3	6
Mr N Sagoo	1	6
Mrs L Silver	4	6

- The 2024/25 policy review established a more efficient and effective system for policy management, enabling the board to maintain strong engagement and oversight. The quality of data provided to the board has been consistently good, and the data used in decision-making is deemed reliable and of sufficient quality for informed governance. There has been minimal change to the composition of the board.
- The Trust's governance arrangements are reviewed annually with due regard to any changes in legislation and governors are satisfied the scheme of delegation and committee structures remain fully fit for purpose.
- A Self-evaluation exercise of the trust governing body took place in 2021/22 confirmed that the board possesses the necessary skills for effective oversight and performs well in key areas. An Ofsted inspection in 2023/24 rated the Leadership and Management which includes Governance at the school 'Outstanding'. Ofsted commented positively on the active part Governors played in the evaluation and improvement process. A further self-evaluation may be conducted in 2025/26 to build on these strengths.

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

Conflict of Interest

Whilst the Trust has always had clear guidance in place to combat any potential conflicts of interest to ensure conflicts do not arise, a Conflict of Interest Policy was introduced in 2022/23 which considers the below three factors:

- identify a conflict of interest
- deal with a conflict of interest
- record a conflict of interest

These three factors are managed by way of pecuniary interest forms and a register of business interest. Updated pecuniary interest forms are obtained from the senior leadership team and governors annually, and the register of business interests is also updated annually. The finance team uses the register of business interests to identify potential conflicts of interest as they arise, ensuring these are addressed promptly in line with our policies.

The Finance, Audit and Risk Committee is a sub-committee of the main Board of Governors. Part of its remit is to consider all financial management, internal control and budgeting matters and advise the Governing Body on appropriate courses of actions in relation to these matters.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
Mr P Irons	2	3
Mr M Blatchly	2	3
Mr M Benford	3	3
Mr S Deadman-Corsie	3	3
Mrs R Hudlin	2	3
Mr A Hunt	2	3
Mr N Jackson	2	3
Mr C Gell	3	3
Mr N Sagoo	1	3

Review of value for money

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

The Accounting Officer considers how the Academy Trust'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 where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- Leading the transition to an 'in-house' finance team after concluding the contract with an external finance company (SAAF) to provide financial leadership and support. Whilst this new structure will not necessarily save money in terms of a like for like comparison it will provide more efficient and informative financial information which will allow us to manage our finances more efficiently on a day-to-day basis.
- The re-structure of the site team to now include specialist staff; for example a qualified electrician. This means we are now able to complete lots of electrical work ourselves and saves money on having to use external contractors.
- Re-negotiation of key contracts to provide value for money. For example, utilities and waste collection.

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Governance Statement (continued)

Review of value for money (continued)

- Regularly reviewing the functions of the academy and challenging how and why services are provided and setting targets and performance indicators for improvement.
- Monitoring outcomes and comparing performance with similar academies.
- Consulting appropriate stakeholders before major decisions are made; and prompting fair competition through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way.

Value for money examples:

- A continued reduction in the number of surplus teaching periods has meant staffing levels are lean and financially prudent.
- Several key stage 4 options subjects were unable to run as they did not have sufficient numbers of students wishing to study them to be financially viable.

The Trust is committed to continued best value for money practice and will be reviewing the following areas in future periods:

- Ongoing review of the curriculum and its delivery
- Ongoing review of back-office systems
- Ongoing review of facilities management

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Fernwood Academy Trust for the year 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Governors has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Governors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Governors
- regular reviews by the Finance, Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure program
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks
- conducting an annual safeguarding review during the summer term to ensure robust procedures are in place and continuously monitored

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Governance Statement (continued)

The risk and control framework (continued)

- conducting several health and safety reviews throughout the year, each focusing on specific aspects of health and safety. These reviews reflect our commitment to maintaining a safe and secure environment for all students, staff and visitors

The Board of Governors continues to employ Wright Vigar (Chartered Accountants) as internal auditor as the service they provide meets the board's requirements and is deemed to offer good value for money. Their expertise and reliability in conducting audits make them a preferred choice.

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

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

On an annual basis, the internal auditor reports to the board of Governors through the finance, audit and risk committee on the operation of the systems of control and on the discharge of the Governors' financial responsibilities. On an annual basis, the auditor prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Board of Governors confirm that the internal auditor has delivered their schedule of work as planned with no significant points arising.

Review of effectiveness

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

- the work of the internal auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;
- correspondence from DfE.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, 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 finance, audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Governance Statement (continued)

Approved by order of the members of the Board of Governors and signed on their behalf by:



Mr P Irons
Chair of the Governing Body
Date:

17/12/25

Mr C Gell
Accounting Officer

17/12/25


THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Statement of Regularity, Propriety and Compliance

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

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

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


Mr C J Gell
Accounting Officer

Date: 17/12/25

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Statement of Governors' responsibilities
For the year ended 31 August 2025

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

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

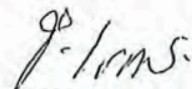
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Mr P Irons
Chair of the Governing Body
Date: 17/12/25

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Fernwood Academy Trust

Opinion

We have audited the financial statements of The Fernwood Academy Trust (the 'academy') for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 2024 to 2025 issued by the Department for Education.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2025 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 2024 to 2025 issued by the Department for Education.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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'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 Governors with respect to going concern are described in the relevant sections of this report.

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Fernwood Academy Trust (continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report including the Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Governors' Responsibilities, the Governors (who are also the directors of the Academy 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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Academy'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 Governors either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Fernwood Academy Trust (continued)

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the Academy and industry, key laws and regulations that we identified included the Companies Act, Charities SORP and guidance included within the Academy Trust Handbook and Academies Accounts Direction.

We identified that the principal risk of fraud or non-compliance with laws and regulations related to:

- management bias in respect of accounting estimates and judgements made;
- management override of controls;
- posting of unusual journals or transactions;
- non-compliance with the Academy Trust Financial Handbook and Academies Accounts Direction.

We focussed on those areas that could give rise to a material misstatement in the Academy financial statements. Our procedures included, but were not limited to:

- Enquiry of management and those charged with governance/review of correspondence around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance where available;
- Reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud and enquiries with third party advisors about potential claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias. In particular in relation to the LGPS valuation;
- A separate limited scope regularity review has been undertaken in respect of compliance with the Academy Trust Handbook and our report in respect of this is contained within the financial statements.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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.

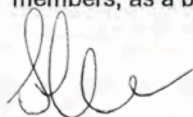
THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Fernwood Academy Trust (continued)

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

Use of our report

This report is made solely to the Academy'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's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Sarah Flear (Senior Statutory Auditor)
for and on behalf of
PKF Smith Cooper Audit Limited
Statutory Auditors
2 Lace Market Square
Nottingham
NG1 1PB

Date: 19 December 2025

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

**Independent Reporting Accountant's Assurance Report on Regularity to The Fernwood Academy Trust
and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 20 October 2025 and further to the requirements of the Department for Education (DfE) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by The Fernwood Academy Trust during the year 1 September 2024 to 31 August 2025 have not been applied to the purposes intended by Parliament and that the financial transactions do not conform to the authorities which govern them.

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

Respective responsibilities of The Fernwood Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Fernwood Academy Trust's funding agreement with the Secretary of State for Education dated 27 March 2019 and the Academy Trust Handbook, extant from 1 September 2024, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 have not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion was as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out a programme of substantive testing, including review of the program of work and findings in relation to internal scrutiny;
- Undertook controls testing where considered appropriate;
- Concluded on the procedures undertaken.

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

**Independent Reporting Accountant's Assurance Report on Regularity to The Fernwood Academy Trust
and the Education & Skills Funding Agency (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 has not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

PKF Smith Cooper Audit Limited

PKF Smith Cooper Audit Limited

Reporting Accountant
2 Lace Market Square
Nottingham
NG1 1PB

Date: 19 December 2025

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2025

	Note	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Restricted fixed asset funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Income from:						
Donations and capital grants	4	-	-	28	28	166
Investments	6	12	-	-	12	2
Charitable activities: Funding for the academy trust's educational operations	5	69	10,920	-	10,989	9,469
Other income	7	354	74	-	428	396
Total income		435	10,994	28	11,457	10,033
Expenditure on:						
Raising funds	8	455	-	-	455	372
Charitable activities: Academy trust educational operations	9	-	10,555	563	11,118	9,914
Total expenditure		455	10,555	563	11,573	10,286
Net (expenditure)/income		(20)	439	(535)	(116)	(253)
Transfers between funds	19	-	(117)	117	-	-
Net movement in funds before other recognised gains/(losses)		(20)	322	(418)	(116)	(253)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	26	-	(185)	-	(185)	(18)
Derecognition of defined benefit pension asset	26	-	650	-	650	-
Net movement in funds		(20)	787	(418)	349	(271)

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account) (continued)
For the year ended 31 August 2025

		Unrestricted funds 2025 £000	Restricted funds 2025 £000	Restricted fixed asset funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
	Note					
Reconciliation of funds:						
Total funds brought forward	19	505	(205)	13,461	13,761	14,032
Net movement in funds	19	(20)	787	(418)	349	(271)
Total funds carried forward	19	<u>485</u>	<u>582</u>	<u>13,043</u>	<u>14,110</u>	<u>13,761</u>

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

The notes on pages 31 to 57 form part of these financial statements.

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)
Registered number: 07597390

Balance Sheet
As at 31 August 2025

	Note	2025 £000	2024 £000
Fixed assets			
Tangible assets	14	13,043	13,461
Current assets			
Stocks	15	3	4
Debtors	16	485	343
Cash at bank and in hand	23	964	767
		<u>1,452</u>	<u>1,114</u>
Creditors: amounts falling due within one year	17	(385)	(344)
Net current assets		<u>1,067</u>	<u>770</u>
Total assets less current liabilities		<u>14,110</u>	<u>14,231</u>
Net assets excluding pension asset / liability		<u>14,110</u>	<u>14,231</u>
Defined benefit pension scheme asset / liability	26	-	(470)
Total net assets		<u><u>14,110</u></u>	<u><u>13,761</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	13,043	13,461
Restricted income funds	19	582	265
		<u>13,625</u>	<u>13,726</u>
Restricted funds excluding pension asset	19	13,625	13,726
Pension reserve	19	-	(470)
Total restricted funds	19	<u>13,625</u>	<u>13,256</u>
Unrestricted income funds	19	<u>485</u>	<u>505</u>
Total funds		<u><u>14,110</u></u>	<u><u>13,761</u></u>

The financial statements on pages 27 to 57 were approved and authorised for issue by the Governors and are signed on their behalf, by:

Mr P Irons
Chair of the Governing Body
Date: 17/12/25

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Statement of Cash Flows
For the year ended 31 August 2025

	Note	2025 £000	2024 £000
Cash flows from operating activities			
Net cash provided by operating activities	21	331	421
Cash flows from investing activities	22	(134)	(429)
Change in cash and cash equivalents in the year		197	(8)
Cash and cash equivalents at the beginning of the year		767	775
Cash and cash equivalents at the end of the year	23, 24	964	767

The notes on pages 31 to 57 form part of these financial statements

THE FERNWOOD ACADEMY TRUST
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2025

1. General Information

The Fernwood Academy Trust is a charitable company limited by guarantee, incorporated in England, United Kingdom. The address of the principal place of business and registered number is given on page 1 of these financial statements. The nature of its operations are set out in the Governors' Report.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2024 to 2025 issued by DfE, the Charities Act 2011 and the Companies Act 2006.

The Fernwood Academy Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in Sterling which is the functional currency of the company and rounded to the nearest £1,000.

2.2 Going concern

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

2.3 Income

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

• Grants

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

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

THE FERNWOOD ACADEMY TRUST
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Notes to the Financial Statements
For the year ended 31 August 2025

2. Accounting policies (continued)

2.3 Income (continued)

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

- **Donations**

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

- **Other income**

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

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

- **Expenditure on raising funds**

This includes all expenditure incurred by the Academy 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's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

2.5 Investments

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

THE FERNWOOD ACADEMY TRUST
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Notes to the Financial Statements
For the year ended 31 August 2025

2. Accounting policies (continued)

2.6 Taxation

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

2.7 Tangible fixed assets

Assets costing £5,000 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 directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Furniture and equipment	-	20% straight line
Computer equipment	-	33% straight line
Motor vehicles	-	25% straight line

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

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

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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Notes to the Financial Statements
For the year ended 31 August 2025

2. Accounting policies (continued)

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities

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

2.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.13 Operating leases

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

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Notes to the Financial Statements
For the year ended 31 August 2025

2. Accounting policies (continued)

2.14 Pensions

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

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

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

2.15 Fund accounting

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

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

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

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

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Notes to the Financial Statements
For the year ended 31 August 2025

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

As a result of the current market conditions factored into the assumptions applied by the LGPS scheme actuary, the actuarial valuation at the year-end has resulted in a surplus position as at 31 August 2025. The recognition of a surplus under should only be made to the extent that an employer can expect to secure future economic benefit from it, either by paying a reduced rate of contributions or taking a refund. Management have assessed both considerations and concluded the following:

- Based on historic practices and for future contribution rates, management do not consider there to be a reasonable expectation that there will be a position where the current cost of accrual will exceed the minimum funding requirement (primary contributions).
- The availability of any potential cash refund once all liabilities have been paid is based on several unpredictable future outcomes set out in the scheme rules that cannot be reasonably assumed at this stage. As a result, management consider there to be a very low possibility of a cash refund.

As a result of the above conclusion and taking into account of the pension scheme actuary's asset ceiling calculation, the closing surplus balance has been restricted to a value of "nil" with the derecognition adjustment shown as 'other recognised gains/losses' in the Statement of Financial Activities.

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Notes to the Financial Statements
For the year ended 31 August 2025

4. Income from donations and capital grants

	Restricted funds 2025 £000	Restricted fixed asset funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Donations	-	-	-	29
Capital Grants	-	28	28	137
	-	28	28	166
<i>Total 2024</i>	29	137	166	

5. Funding for the Academy Trust's educational operations

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	9,019	9,019	7,977
Other DfE/ESFA grants				
Pupil Premium	-	343	343	365
Core School Budget grant	-	328	328	273
Teachers' pay and pension grants	-	345	345	226
Other DfE Group grants	-	82	82	9
	-	10,117	10,117	8,850
Other Government grants				
Local authority grants	-	406	406	337
Special educational projects	-	119	119	97
	-	525	525	434
Other income from the academy trust's educational operations	69	278	347	185
	69	10,920	10,989	9,469
	69	10,920	10,989	9,469
<i>Total 2024</i>	46	9,423	9,469	

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Notes to the Financial Statements
For the year ended 31 August 2025

6. Investment income

	Unrestricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Investment income	12	12	2
Total 2025	12	12	2
<i>Total 2024</i>	<i>2</i>	<i>2</i>	

7. Income from other trading activities

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Staff consultancy	-	74	74	76
Catering income	300	-	300	272
Hire of facilities	54	-	54	48
	354	74	428	396
<i>Total 2024</i>	<i>320</i>	<i>76</i>	<i>396</i>	

THE FERNWOOD ACADEMY TRUST
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Notes to the Financial Statements
For the year ended 31 August 2025

8. Expenditure

	Staff Costs 2025 £000	Premises 2025 £000	Other 2025 £000	Total 2025 £000	Total 2024 £000
Expenditure on raising voluntary income:					
Direct costs	215	-	240	455	372
Funding for academy trust's educational operations:					
Direct costs	7,826	-	1,068	8,894	7,909
Allocated support costs	894	980	350	2,224	2,005
	<u>8,935</u>	<u>980</u>	<u>1,658</u>	<u>11,573</u>	<u>10,286</u>
Total 2024	<u>7,965</u>	<u>886</u>	<u>1,435</u>	<u>10,286</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2025 £000	Support costs 2025 £000	Total funds 2025 £000	Total funds 2024 £000
Funding for academy trust's educational operations	<u>8,894</u>	<u>2,224</u>	<u>11,118</u>	<u>9,914</u>
Total 2024	<u>7,909</u>	<u>2,005</u>	<u>9,914</u>	

Analysis of direct costs

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Notes to the Financial Statements
For the year ended 31 August 2025

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Total funds 2025 £000	Total funds 2024 £000
Teaching and educational support staff costs	7,826	7,026
Depreciation	191	112
Educational supplies	305	295
Examination fees	162	123
Staff development	15	7
Educational consultancy	25	74
Other direct costs	281	172
Technology costs	88	99
Travel and subsistence	1	1
	<hr/>	<hr/>
	8,894	7,909
	<hr/>	<hr/>

THE FERNWOOD ACADEMY TRUST
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Notes to the Financial Statements
For the year ended 31 August 2025

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2025 £000	Total funds 2024 £000
Staff costs	894	779
Depreciation	372	350
Insurance	39	33
Technology costs	29	8
Water rates	21	17
Recruitment and support	15	12
Maintenance of premises	266	163
Cleaning	17	14
Rates	6	3
Operating lease rentals	19	19
Energy	215	308
Other support costs	232	210
Transport	47	45
Other occupancy costs	31	24
Governance costs	21	20
	<u>2,224</u>	<u>2,005</u>

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Notes to the Financial Statements
For the year ended 31 August 2025

10. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2025 £000	2024 £000
Operating lease rentals	19	19
Depreciation of tangible fixed assets	563	462
Fees paid to auditors for:		
- audit	14	13
- other services	6	6
	<u> </u>	<u> </u>

During the year there were no individual transactions exceeding £5,000 falling under the following headings:

- Ex-gratia/compensation payments
- Gifts made by the trust
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2025 £000	2024 £000
Wages and salaries	6,659	6,069
Social security costs	689	570
Pension costs	1,587	1,325
Other employee benefits	-	-
	<u>8,935</u>	<u>7,964</u>
Agency staff costs	(391)	(383)
	<u>8,544</u>	<u>7,581</u>

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Notes to the Financial Statements
For the year ended 31 August 2025

11. Staff (continued)

b. Staff numbers

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

	2025 No.	2024 No.
Teachers	96	94
Administration and support	85	63
Management	7	9
	<u>188</u>	<u>166</u>

c. Higher paid staff

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

	2025 No.	2024 No.
In the band £60,001 - £70,000	2	5
In the band £70,001 - £80,000	3	1
In the band £80,001 - £90,000	2	2
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
	<u>1</u>	<u>-</u>

d. Key management personnel

The key management personnel of the Academy comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £1,124,237 (2024 - £1,156,044).

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Notes to the Financial Statements
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12. Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Governors' remuneration and other benefits was as follows:

		2025 £000	2024 £000
Mrs A Hopkinson (resigned 25 September 2023)	Remuneration		30 - 35
	Pension contributions paid		5 - 10
Mr N Jackson	Remuneration	30 - 35	45 - 50
	Pension contributions paid	5 - 10	10 - 15
Mr W Beasley	Remuneration	50 - 55	45 - 50
	Pension contributions paid	15 - 20	10 - 15
Mr C Gell	Remuneration	120 - 125	110 - 115
	Pension contributions paid	35 - 40	25 - 30

During the year ended 31 August 2025, travel and stationery expenses totalling £157 were reimbursed or paid directly to 1 Governor (2024 - £79 to 1 Governor).

13. Governors' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000. It is not possible to quantify the Governors and officers indemnity element from the overall cost of the RPA scheme.

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Notes to the Financial Statements
For the year ended 31 August 2025

14. Tangible fixed assets

	Freehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost					
At 1 September 2024	15,587	738	1,121	20	17,466
Additions	-	30	116	-	146
Disposals	-	-	(106)	-	(106)
At 31 August 2025	15,587	768	1,131	20	17,506
Depreciation					
At 1 September 2024	2,714	488	788	15	4,005
Charge for the year	278	89	192	5	564
On disposals	-	-	(106)	-	(106)
At 31 August 2025	2,992	577	874	20	4,463
Net book value					
At 31 August 2025	12,595	191	257	-	13,043
At 31 August 2024	12,873	250	333	5	13,461

Included in freehold property is freehold land at valuation of £1,709,000 (2024: £1,709,000), which is not depreciated.

15. Stocks

	2025 £000	2024 £000
Finished goods and goods for resale	3	4

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Notes to the Financial Statements
For the year ended 31 August 2025

16. Debtors

	2025 £000	2024 £000
Due within one year		
Trade debtors	1	2
Other debtors	26	26
Prepayments and accrued income	287	209
VAT recoverable	171	106
	<u>485</u>	<u>343</u>

17. Creditors: Amounts falling due within one year

	2025 £000	2024 £000
Trade creditors	88	88
Other creditors	85	75
Accruals and deferred income	212	181
	<u>385</u>	<u>344</u>

	2025 £000	2024 £000
Deferred income		
Deferred income at 1 September 2024	57	34
Resources deferred during the year	95	57
Amounts released from previous years	(57)	(34)
	<u>95</u>	<u>57</u>

Deferred income relates to SEN grants of £83k and lunch payments of £12k, all of which relate to the 2025/26 academic and financial year.

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Notes to the Financial Statements
For the year ended 31 August 2025

18. Financial instruments

	2025 £000	2024 £000
Financial assets		
Financial assets measured at fair value through income and expenditure	964	767
Financial assets that are debt instruments measured at amortised cost	27	28
	<u>991</u>	<u>795</u>
	2025 £000	2024 £000
Financial liabilities		
Financial liabilities measured at amortised cost	(385)	(344)

Financial assets measured at fair value through income and expenditure comprises cash at bank.

Financial assets that are debt instruments measured at amortised cost comprises trade debtors and other debtors excluding the VAT debtor.

Financial liabilities measured at amortised cost comprise trade creditors, accruals and other creditors.

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Notes to the Financial Statements
For the year ended 31 August 2025

19. Statement of funds

	Balance at 1 September 2024 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2025 £000
Unrestricted funds						
General Funds	505	435	(455)	-	-	485
Restricted general funds						
General Annual Grant (GAG)	265	9,019	(8,585)	(117)	-	582
Pupil Premium	-	343	(343)	-	-	-
Teachers' Pay and Pension	-	345	(345)	-	-	-
Other DfE grants	-	82	(82)	-	-	-
Core School Budget Grant	-	329	(329)	-	-	-
Other income	-	351	(351)	-	-	-
Local authority grants	-	525	(525)	-	-	-
Pension reserve	(470)	-	5	-	465	-
	(205)	10,994	(10,555)	(117)	465	582
Restricted fixed asset funds						
Fixed assets transferred on conversion	5,560	-	(232)	-	-	5,328
DfE Group Capital Grants	4,582	28	(191)	-	-	4,419
Donations	21	-	(1)	-	-	20
Capital expenditure from GAG	2,299	-	(97)	117	-	2,319
Local authority grants	963	-	(40)	-	-	923
Other income	36	-	(2)	-	-	34
	13,461	28	(563)	117	-	13,043
Total Restricted funds	13,256	11,022	(11,118)	-	465	13,625

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Notes to the Financial Statements
For the year ended 31 August 2025

19. Statement of funds (continued)

Total funds	13,761	11,457	(11,573)	-	465	14,110
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The specific purposes for which the funds are to be applied are as follows:

The General Annual Grant, and other DfE Group grants relate to government funding for the provision of education by the academy including Special Educational Needs projects. Other restricted income relates to non-government restricted funding.

Unrestricted reserves comprise the net of income and expenditure from Music, Catering, Lettings and Uniform transactions.

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

The transfer between funds represents the capital expenditure funded from restricted income sources.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2025.

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

	<i>Balance at 1 September 2023 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2024 £000</i>
Unrestricted funds						
General Funds	527	367	(389)	-	-	505
Restricted general funds						
General Annual Grant (GAG)	478	7,977	(7,896)	(294)	-	265
Pupil Premium	-	365	(365)	-	-	-
Teachers' Pay and Pension	-	225	(225)	-	-	-
Other DfE grants	-	9	(9)	-	-	-
Core School Budget Grant	-	275	(275)	-	-	-
Other income	-	215	(215)	-	-	-
Local authority grants	-	434	(434)	-	-	-
Donations	-	29	(29)	-	-	-
Pension reserve	(465)	-	13	-	(18)	(470)
	13	9,529	(9,435)	(294)	(18)	(205)

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Notes to the Financial Statements
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19. Statement of funds (continued)

Restricted fixed asset funds

Fixed assets transferred on conversion	5,751	-	(191)	-	-	5,560
DfE Group Capital Grants	4,602	137	(157)	-	-	4,582
Donations	22	-	(1)	-	-	21
Capital expenditure from GAG	2,084	-	(79)	294	-	2,299
Local authority grants	996	-	(33)	-	-	963
Other income	37	-	(1)	-	-	36
	<u>13,492</u>	<u>137</u>	<u>(462)</u>	<u>294</u>	<u>-</u>	<u>13,461</u>
Total Restricted funds	<u>13,505</u>	<u>9,666</u>	<u>(9,897)</u>	<u>-</u>	<u>(18)</u>	<u>13,256</u>
Total funds	<u>14,032</u>	<u>10,033</u>	<u>(10,286)</u>	<u>-</u>	<u>(18)</u>	<u>13,761</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Restricted fixed asset funds 2025 £000	Total funds 2025 £000
Tangible fixed assets	-	-	13,043	13,043
Current assets	777	676	-	1,453
Creditors due within one year	(292)	(93)	-	(385)
Total	<u>485</u>	<u>583</u>	<u>13,043</u>	<u>14,111</u>

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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £000</i>	<i>Restricted funds 2024 £000</i>	<i>Restricted fixed asset funds 2024 £000</i>	<i>Total funds 2024 £000</i>
Tangible fixed assets	-	-	13,461	13,461
Current assets	753	360	-	1,113
Creditors due within one year	(249)	(95)	-	(344)
Provisions for liabilities and charges	-	(470)	-	(470)
Total	504	(205)	13,461	13,760

21. Reconciliation of net expenditure to net cash flow from operating activities

	2025 £000	2024 £000
Net expenditure for the year (as per Statement of Financial Activities)	(116)	(253)
Adjustments for:		
Depreciation	564	462
Interest receivable	(12)	(2)
Defined benefit pension scheme cost less contributions payable	(24)	(33)
Defined benefit pension scheme finance cost	19	20
(Increase)/decrease in stocks	1	(4)
(Increase)/decrease in debtors	(142)	108
Increase in creditors	41	123
Net cash provided by operating activities	331	421

22. Cash flows from investing activities

	2025 £000	2024 £000
Interest receivable	12	2
Purchase of tangible fixed assets	(146)	(431)
Net cash used in investing activities	(134)	(429)

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23. Analysis of cash and cash equivalents

	2025	2024
	£000	£000
Cash in hand and at bank	964	767

24. Analysis of changes in net debt

	At 1 September 2024 £000	Cash flows £000	At 31 August 2025 £000
Cash at bank and in hand	767	197	964

25. Capital commitments

	2025 £000	2024 £000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	29

26. Pension commitments

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 Nottinghamshire County Council. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

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

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

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26. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The result of this valuation will be implemented from 1 April 2024. The next valuations result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £1,694,000 (2024 - £1,092,000).

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

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

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26. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £378,000 (2024 - £300,000), of which employer's contributions totalled £297,000 (2024 - £235,000) and employees' contributions totalled £81,000 (2024 - £65,000). The agreed contribution rates for future years are 21.8 per cent for employers and 5.5 - 12.5 per cent for employees.

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

As a result of the current market conditions factored into the assumptions applied by the LGPS scheme actuary, the actuarial valuation at the year-end has resulted in a surplus position as at 31 August 2025. The recognition of a surplus under should only be made to the extent that an employer can expect to secure future economic benefit from it, either by paying a reduced rate of contributions or taking a refund. Management have assessed both considerations and concluded the following:

- Based on historic practices and for future contribution rates, management do not consider there to be a reasonable expectation that there will be a position where the current cost of accrual will exceed the minimum funding requirement (primary contributions).
- The availability of any potential cash refund once all liabilities have been paid is based on several unpredictable future outcomes set out in the scheme rules that cannot be reasonably assumed at this stage. As a result, management consider there to be a very low possibility of a cash refund.

As a result of the above conclusion and taking into account of the pension scheme actuary's asset ceiling calculation, the closing surplus balance has been restricted to a value of "nil" with the derecognition adjustment shown as 'other recognised gains/losses' in the Statement of Financial Activities.

Principal actuarial assumptions

	2025	2024
	%	%
Rate of increase in salaries	3.90	3.85
Rate of increase for pensions in payment/inflation	2.90	2.85
Discount rate for scheme liabilities	5.30	5.05

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

	2025	2024
	Years	Years
<i>Retiring today</i>		
Males	21.0	20.4
Females	24.1	23.3
<i>Retiring in 20 years</i>		
Males	22.7	21.7
Females	25.8	24.7

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26. Pension commitments (continued)

Sensitivity analysis

	2025 £000	2024 £000
Discount rate +0.1%	4,281	4,714
Discount rate -0.1%	4,424	4,888
Mortality assumption - 1 year increase	4,453	4,936
Mortality assumption - 1 year decrease	4,254	4,668
CPI rate +0.1%	4,356	4,885
CPI rate -0.1%	4,348	4,717

Share of scheme assets

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

	At 31 August 2025 £000	At 31 August 2024 £000
Equities	2,705	2,618
Gilts	379	104
Corporate bonds	295	215
Property	440	460
Cash and other liquid assets	323	261
Other	860	672
Total market value of assets	5,002	4,330

The actual return on scheme assets was £400,000 (2024 - £343,000).

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

	2025 £000	2024 £000
Current service cost	(273)	(202)
Interest cost	(17)	(18)
Administrative expenses	(2)	(2)
Total amount recognised in the Statement of Financial Activities	(292)	(222)

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26. Pension commitments (continued)

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

	2025 £000	2024 £000
At 1 September	4,800	4,278
Interest cost	242	225
Contributions by scheme participants	81	65
Change in financial assumptions	(290)	154
Estimated benefits paid net of transfers in	(104)	(124)
Current service cost	273	202
At 31 August	<u>5,002</u>	<u>4,800</u>

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

	2025 £000	2024 £000
At 1 September	4,330	3,813
Derecognition of pension asset	650	-
Interest on assets	225	207
Return on assets less interest	(475)	136
Contributions by employer including unfunded	297	235
Contributions by scheme participants and other employers	81	65
Estimated benefits paid plus unfunded net of transfers in	(104)	(124)
Administrative expenses	(2)	(2)
At 31 August	<u>5,002</u>	<u>4,330</u>

27. Operating lease commitments

At 31 August 2025 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £000	2024 £000
Not later than 1 year	19	19
Later than 1 year and not later than 5 years	27	47
	<u>46</u>	<u>66</u>

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28. Members' liability

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

29. Related party transactions

Owing to the nature of the Academy and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account, other than certain trustees' remuneration already disclosed in note 11.