

WISE Academies

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 August 2024

WISE Academies
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WISE Academies
REFERENCE AND ADMINISTRATIVE DETAILS

Members	M E W Stephenson *^ R Bradshaw D R Sandbach O.B.E. G T Yarrow Dame I Hays
Trustees	M E W Stephenson (Chair) *^ Z Carr O.B.E. (CEO and Accounting Officer) J G Wood C.B.E. * D Pearson *^ R Symonds # N Vokes # P Smith # R Ward #^ C Collins ^ L Hall (from 1 September 2024) ^ E Grimes (from 1 September 2024) * members of the Finance and General Purpose Committee # members of the Audit Committee ^ members serving on one or more Regional Hub Board Committees
Company Secretary	G Robinson
Senior Management Team:	
Chief Executive Officer and Accounting Officer	Z Carr O.B.E.
Regional Education Director	N Fountain
Regional Education Director	P Martindale
Finance Director	F Hardie
Director of Operations	G Robinson
Director of People and Culture	V Stonebridge
Principal and Registered Office	Borodin Avenue Sunderland SR5 4NX
Company Registration Number	07521946
Independent Auditor	RSM UK Audit LLP 1 St James Gate Newcastle upon Tyne NE1 4AD

WISE Academies
REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Bankers	Lloyds Bank Plc 102 Grey Street Newcastle upon Tyne NE1 6AG
Solicitors	Ward Hadaway Sandgate House 102 Quayside Newcastle upon Tyne NE1 3DX
Internal Auditor	Azets Wynyard Park House Stockton-on-Tees Billingham TS22 5TB

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2024. The annual report serves the purpose of both a trustees' report and a directors' report required under company law.

The Trust for the period to 31 August 2024 operated with 13 first/primary school academies in the North East area of England and welcomed a further 3 primary schools into the Trust from 1 September 2024:

- Town End Academy and Bexhill Academy which have been part of the Trust since March 2011;
- Welbeck Academy which joined the Trust in September 2012;
- Hasting Hill Academy which joined in December 2012;
- Adderlane Academy which joined in December 2016;
- Prudhoe West Academy which joined in July 2017;
- Shaftoe Trust Academy which was sponsored in February 2018;
- North View Academy (a specialist SEN primary) which was transferred from a Single Academy Trust (SAT) in September 2018;
- Haltwhistle Primary Academy (formerly Haltwhistle First Academy and Haltwhistle Middle Academy) which were transferred from a Multi Academy Trust (MAT) in September 2018;
- Croftway Academy, Malvin's Close Academy and Morpeth Road Academy which were transferred from a MAT in September 2018, and
- Ashley Academy which was sponsored from 1 September 2022
- Esh Winning Academy, St Andrew's Academy and Thornley Academy joined with effect from 1 September 2024.

The academies within the Trust have a combined pupil capacity of 4,731 in the age range 4 – 11, which includes 85 special school places; 450 FTE nursery places; 93 FTE 2-year old places and two additionally resourced provisions of 16 places and 10 places respectively.

The combined roll was 4,123 in the school census on October 2024. This includes 3,622 pupils in the age range 4 – 11 and 409 children aged 3 accessing nursery provision (full time and part time) with an additional 92 accessing 2-year-old provision (full time and part time).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of WISE Academies are also the directors of the charitable company for the purposes of company law. The charitable company is known as WISE Academies.

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance under the Department of Education's risk protection arrangement (RPA) which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as trustees of the Trust. The indemnity is unlimited.

Method of Recruitment and Appointment or Election of Trustees

The Trust's Governing Body (the Trustees) was last re-constituted in January 2015. The effect of this re-constitution was to ensure that the Board is no larger than necessary to secure the range of skills necessary to promote effective governance of the Trust. The Board of Trustees comprises the CEO, up to nine Trustees appointed by Members and up to three Co-opted Trustees. The Articles of Association require there to be a minimum of three Trustees to be responsible for the statutory and constitutional affairs of the Trust and its management. During the year the Articles of Association were updated; the effect of which was that the CEO would no longer be an ex-officio Trustee and it would be for the Members to determine whether the CEO should be a Trustee under the revised Articles. The other significant change was that the Chair of Trustees would not automatically be a member.

The constitution and membership of the Board of Trustees and at Company Member level remain stable and fit for purpose for effective governance of the Trust. During the reporting year it was decided to extend the size of the Board from nine trustees to eleven trustees to provide more scope for additional expertise to be included in the composition. These additional appointments were made by Members and took effect from 1 September 2024. These additional Trustees were skills based appointments, particularly centred on educational expertise.

Policies and Procedures Adopted for the Induction and Training of Trustees

During the reporting year there were two new Trustee appointments who took up their roles from 1 September 2024. A specific induction session was organised to provide a briefing on charity and educational legal and financial matters.

All Trustees are provided with copies of policies, procedures, accounts, budgets, plans and other documents that they need to undertake their role.

Training opportunities for Trustees and Members have included safeguarding updates, Safer Recruitment, Link Governor training and a School Inspection Data Summary report (IDSR) guide.

The Trust's governance structure also includes a number of committees which includes Local Governing Bodies. There are also three Regional Boards which oversee a number of academies in a geographical hub structure: North of Tyne; South of Tyne and Northumberland. Due to further expansion of the Trust from September 2024, a fourth Regional Hub is to be established to cover the Durham area.

Induction training is provided to new local governors to provide context to the role and understanding of how local governance functions within a multi-layered trust governance structure.

There were also introductory sessions for the three Governing Bodies of schools that joined the Trust from 1 September 2024 to assist their understanding of the governance structure and the role of local governance within the Trust.

There will continue to be a range of opportunities for Trustees and Members to access development initiatives.

Organisational Structure

The company is set up as a multi-academy model, and the Board of Trustees is normally scheduled to meet six times per year to discuss its strategic objectives with the Chief Executive Officer (CEO), who is the Accounting Officer of the Multi Academy Trust (MAT). During the reporting year the Trustees met on seven occasions. There are also two Regional Education Directors within the organisational structure who participate in Trustees' meetings to strengthen accountability and communication focussing on their respective areas of responsibility. During the reporting year, an additional Regional Hub Lead was appointed to take account of additional Trust expansion from September 2024.

In this multi academy model, the CEO leads and develops the strategic vision of all academies in the chain. Each individual academy has a Headteacher or Executive Headteacher/ Head of School who is responsible for the day to day management of the school supported by a senior management team and wider central teams comprising teaching and non-teaching staff.

There is only one legal entity accountable for all academies within the chain, the Multi Academy Trust (MAT). The MAT has one set of Articles which governs all Academies. The Articles of Association reflect the tiered governance structure which includes Members, Trustees, Regional Boards and Local Governing Bodies. The Regional Boards and Local Governing Bodies have the status of committees of the Board of Trustees in the governance structure and their roles and responsibilities are defined through the scheme of delegation. Local Governing Bodies have always existed in the WISE Academies governance framework and provide individual school focus and accountability. The Regional Boards are one of the mechanisms for holding Regional Education Directors to account for the performance of the academies within their area of responsibility.

Within the Articles of Association there are other measures available to those responsible for governance to discharge governance functions through written resolutions.

The Board of Trustees has also previously resolved to authorise the Chair of Trustees (or in her absence, the Vice-chair) to exercise any governance function which may properly be deemed urgent and where a delay in decision making would be detrimental to the Trust, academies, staff or pupils. There was no such exercise of powers of urgency within the reporting period.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider that they, together with the Chief Executive Officer (CEO), Finance Director, Director of People and Culture, Company Secretary and Regional Education Directors comprise the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day to day basis (see note 9f to the accounts). The Trustees give of their time freely and no Trustee, other than the CEO, received remuneration in the year, and of the Trustees, only the Chair and CEO claimed travelling expenses during the period. WISE Academies did not engage in any related party transactions with key management personnel, members or trustees or their families during the reported year.

The pay and remuneration of the senior management team is reviewed annually by the Finance and General Purposes Committee taking account of national leadership pay scales and other benchmarking information available. There are also appropriate appraisal objectives set and any incremental progression takes account of performance. A number of criteria are used in setting pay:

- nature of the role and responsibilities
- the sector average salary for comparable positions
- trends in pay

Trade Union Facility Time

Under the provision of the trade union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in schedule 2 of the Regulations. The information to be published consists of four tables covering the period April 2023 to March 2024:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
4	4

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1% - 50%	-
51% - 99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	£nil
Total pay bill	£20.1m
Percentage of pay bill spent on facility time	0%

Paid trade union activities

Time spent on trade union activities as a percentage of total paid facility time hours	0%
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Related Parties and Other Connected Charities and Organisations

The idea of partnership is important to WISE Academies. We use this approach in a way which is creative and which will allow our young people to achieve their full potential. Within the Trust our approach is the sharing of good practice for the mutual benefit of all.

A key component of the partnership working approach is provided through both the Town End Research School and the Great North Stronger Practice Hub. The mission of our Research School is to break the link between family income and educational achievement and build and strengthen networks of schools to help them access good quality, evidence-based education research and implement it in everyday classroom practice. Our Stronger Practice Hub is part of the Department for Education's Early Years Education Covid-19 Recovery Package which aims to address the impact of the pandemic on young children by sharing effective practice and building lasting local networks.

A strategic partnership exists between WISE Academies and Newcastle City Council for the furtherance of appropriate provision for children with communication and language difficulties through the additionally funded specialist ARC provision based at Welbeck Academy.

The Trust is also engaged in a partnership with South Tyneside Council to provide special educational needs places for Foundation Stage pupils with complex learning difficulties based at Ashley Academy.

The land and buildings of Shaftoe Trust Academy are owned by a charitable organisation, Shaftoe Charities. WISE Academies has therefore worked with the trustees of Shaftoe Charities in relation to the sponsorship of Shaftoe Trust Academy and has entered into an agreement with the charity for the lease of the site, the value of which is included within land and buildings in fixed assets. Shaftoe Charities also make a number of donations at their discretion which benefit Shaftoe Trust Academy.

WISE Academies are conscious of the need for any person responsible for governance within the organisation, or, who are employees of the organisation, to declare any relevant business or pecuniary interests and this is particularly the case with related party relationships. The following declarations were made by Trustees and Company Members:

- J Wood C.B.E. – Director of The Beacon of Light Ltd.
- N Vokes – Director of Community Opportunities Limited and Sunderland All Together Consortia. Operational Manager of Hylton Castle Trust and Bowes Railway Company. Managing Director of Community Opportunities and Chief Executive of Sunderland North Community Business Centre.
- R Symonds – None.
- M Stephenson – None (although there is a standing declaration that her sister is a local governor of one of the academies within the Trust).
- P Smith – None.
- Z Carr O.B.E. – Husband a Director of Capital UK Electric Ltd. (not used by the Trust); Company Member of Melrose Learning Trust. Director of Schools North East.
- C Collins – Consultancy – Christine Collins Consultancy.
- D Pearson - Elliott Associates/Elliott Projects (Consultancy) Limited - retained Consultant; Co-opted member of Board of Governors, Northumbria University.
- R Ward – CEO and Trustee of Melrose Learning Trust.
- R Sandbach O.B.E. - Trustee of The Beacon School, Sunderland.
- R Bradshaw – None.
- G T Yarrow – None.
- Dame I Hays - Owner / Chair of Hays Travel Ltd incorporating the following: -
 - Hays Transport Limited (06428210)
 - Hays Property Services Limited (00288713)
 - Hays Foreign Exchange Limited (03277863)
 - Hays Transfers Limited (06390154)
 - Hays Beds Limited (04201735)
 - Hays Tour Operating Limited (03591401)
 - Hays Travel Foundation (09357982)
 - Hays Travel Limited (01990682)

With effect from September 2024, there were two additional Trustees appointed. The following declarations were made:

- L Hall – Executive Headteacher of Bothal and Central Primary Schools, Ashington Learning Partnership.
- E Grimes – Early Years Consultant, Chapter House Childcare Associates Limited working with Uppertorpe Nursery.

Engagement with Employees (Including Disabled Persons)

WISE Academies encourages the involvement and communication with all employees. From a strategic perspective, all new staff receive induction which is conducted at Trust level and is run alongside initial induction training at each local academy; we have an Employee Engagement Forum which is a communication and consultation group and meets on a termly basis, and annually, we complete a Staff Survey to obtain the views from all employees on their experiences working within the Trust.

The Trust has a recognition agreement with Trade Unions and our Director of People and Culture chairs termly meetings of our Joint Consultative Committee (JCC) which is attended by the CEO and other members of the Trust Executive team. All HR policies are consulted upon through the JCC and contractual policies are reviewed on an annual basis to ensure that they remain compliant with all employment and statutory legislation.

The Trust has a comprehensive suite of HR policies that ensure all staff are treated fairly and equitably at all times during their employment. WISE Academies complies with the requirements of the Equality Act (2010) and recognises, respects and values diversity in the workforce and is committed to promoting and achieving equality of opportunity; no candidates or staff are disadvantaged or discriminated against because of the protected characteristics. Staff who require reasonable adjustments to remain in work are treated sensitively and with compassion and support is available to all staff from the Employee Assist Programme and Occupational Health services.

Engagement with Stakeholders

Business relationships with suppliers

Our procurement strategy prioritises value for money and to achieve this, we aim to develop and maintain strong relationships with our suppliers. We value all of our suppliers, including local providers of goods and services together with larger, national organisations and we apply comparative pricing exercises for our requirements in excess of £2,000. Regular weekly payment runs ensure that suppliers are paid within our standard 30 days' terms. These standard payment terms can be shortened on request to support smaller, local suppliers who may be more reliant upon maximising their cashflow.

Education and Skills Funding Agency (ESFA)

The Trustees ensure that WISE Academies remains compliant in respect of ESFA governance and reporting requirements. Annual updates of the Academy Trust Handbook are reviewed together with any 'Accounting Officer' letters as received during the year, with any required actions being followed up with the management team of the Trust.

Ofsted

The Trust is led by a visionary executive leadership team headed by a CEO who is a trained Ofsted inspector, together with both of our Regional Education Directors. As a result of the expertise available within the Trust, we are well placed to respond to the latest Ofsted requirements. This has proved particularly effective when changes in inspection criteria take place, as a Trust-wide approach is deployed to implement measures in readiness for the changes.

Whenever any academy is subject to an Ofsted inspection, Trust leaders work alongside academy leaders and meet with the inspection team. This extends to those responsible for governance with Trustees accompanying local governors at feedback following academy inspections.

Local communities

All WISE Academies' settings are at the heart of their communities and parental/carer engagement is achieved through a number of mechanisms. Key to this is the provision of a welcoming, caring and supportive learning environment which will nurture the development of each child in our care. In settings which support deprived communities, we employ dedicated Child and Family Liaison Teams to build strong relationships and support children and families through a variety of activities and programmes.

All academies regularly offer updates to parents and carers including events relating to the curriculum which helps parents understand how children are learning and helps them to gain confidence in supporting their own children's education. Academies operate friends' groups and regularly involve parents and carers in fund-raising events, fayres, trips and other school celebrations and activities.

The Trust places great importance upon community engagement and wherever possible takes local views into account, including Local Authority elected representatives, Town Councils and other community organisations and we have a strong commitment to work in partnership with other schools and academies in the areas we support through collaboration, sharing of expertise and provision of services, e.g., Governor Support and the work of the Town End Research School.

Education Endowment Foundation (EEF) and National Children's Bureau (NCB)

The EEF fund the Research Schools Network and we were awarded full Research School status in July 2024 joining the national network of 33 schools. Our partnership based working offers an opportunity for education settings and local leaders to work with the EEF and Research Schools Network in a sustained and structured manner. The NCB has been appointed the national delivery partner for the Early Years Stronger Practice Hub with the EEF supporting them as evidence partners. WISE Academies supported Haltwhistle Primary School with their successful application in July 2024 as lead setting for the Great North Early Years Stronger Practice Hub which has worked to support other nurseries and childminders in our region to adopt evidence-based practices guided by research and training opportunities.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal activity and objective of the academies is the advancement of education in the United Kingdom by establishing and maintaining high performing first and primary schools, offering a broad and balanced curriculum that meets the needs of its communities by providing a high quality and flexible learning environment.

In accordance with the Memorandum and Articles of Association, the company has adopted a scheme of governance approved by the Secretary of State for Education. Each academy will be governed by the Trust. The company shall have regard to (but for the avoidance of doubt shall not be bound by) any guidance as to the governance of academies that the Secretary of State may publish.

Objectives, Strategies and Activities

The Trust operates as one team who, together, commit to achieving our mission: '*We are a family of schools who exist to inspire each pupil to believe in themselves so they experience great success*'

through our commitment to *excellence*'. Our philosophy is one of boundless aspiration...the sky is the limit.

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

Strategic aim 1: Providing an excellent standard of education for all pupils.

- We continue to ensure that schools are well prepared for inspection and during the reporting year both Hasting Hill Academy and North View Academy achieved 'Good' outcomes. Welbeck Academy was also inspected and despite achieving 'Good' in all other individual areas including Early Years, Leadership, Personal Development and Behaviour and Attitudes, our Quality of Education was judged as Requiring Improvement (RI), resulting in an overall RI result.
- Work has taken place during the year to review curriculum models to ensure a greater focus on core knowledge. The curriculums in each school were audited to identify any areas that required strengthening and further development. Retrieval practice was reviewed to ensure that is systematically planned into the curriculum to facilitate opportunities to revisit prior learning to support pupils to remember content and enable them to see the 'big picture' of their learning.
- Our Y6 cohort during 2023-24 included 52% of disadvantaged pupils (2022-23: 50%). At the end of KS2, Trust outcomes for our disadvantaged children have improved from last year's averages and compare favorably against national averages for disadvantage pupils: Reading: 66% achieved the expected standard (2023: 62%) which is better than the 2024 national average of 60%; Writing: 63% achieved the expected standard (2023: 61%) which is better than the 2024 national average of 58%, and Mathematics: 65% achieved the expected standard (2023: 61%) which is better than the national average of 59%. Our 2024 combined score for disadvantaged pupils was 51% against the national average score of 45%.
- Phonics outcomes for the Y1 assessment report a strong performance with 83% compared to the 2024 national average of 80% and our disadvantaged pupils also achieving well in comparison to national data: 76% compared with 2024 national average of 68%. The results for our Y2 rechecks are also strong with outcomes of 94% and 90% for our disadvantaged Y2 set. 2024 national comparatives are not available for Y2 phonics checks due to the recent number of changes in primary school assessments, however to give some context, the 2023 national average was published as 89%.
- The Trust supported two SEND lead roles during the year and introduced a SEND audit tool to support provisions within schools. Our SEND pupils progress well in each school and the SEND leads have been effective in creating well-focused SEND networks and support for school leaders to identify and address any areas requiring further improvement.

Strategic aim 2: Ensure that Spiritual, Moral, Social, Cultural education underpins all activity, so pupils develop as well-rounded, responsible individuals.

- Attendance has remained an extremely high priority across the Trust this year. Effective, centralised procedures are in place to promote strong school attendance and support is provided through the Trust Attendance lead. The overall attendance across the Trust this year was 94% which is a better position than our result from last year of 93.6%. Nationally, the overall average for primary school attendance was 94.5%, and regionally, 94.3% during 2023-24. We have introduced standardised procedures across the Trust in terms of process

and policy and have developed action plans for schools to identify particular patterns of poor attendance.

- During the year, we launched our WISE Childhood Pledge which is a programme of activities and experiences that follows each child throughout their primary school journey linked to the following areas: Culture and Diversity; Skills; Leadership; Citizenship and Character. Every child has received a WISE Passport and they are awarded a stamp each time they participate in a challenge or activity.
- Schools participated in our WISE Olympics during the summer which was a sporting event held in Gateshead Stadium as part of our WISE Memorable Moments initiative whereby we look to bring our family of schools together to enrich pupils' experiences as part of a wider range of activities.

Strategic aim 3: Deliver robust financial management.

- The Trust remains in a strong financial position with total reserves held of around £4.5 million across unrestricted and restricted general funds and meets its reserves policy.
- In the period the Trust received a strong end of year external audit with no key findings.
- The Trust cash flow has been reported each month and cash balances have remained steady during the year with an average £3.5m in hand and a further £4m invested in short term deposits and investments.
- All financial submissions have been made within required timescales and all financial regulations have been adhered to.

Strategic aim 4: Ensure governance is highly effective and fit for purpose.

- Compliance systems give assurance to the Board of Trustees that the Trust is meeting its statutory and legal responsibilities. All compliance matters have been met.
- Governors at all levels have an appropriate skill set in order to fulfil their governance role as demonstrated by annual self-evaluation. Skills of governance are kept under review. Governance is strong across the Trust; where Local Governing Bodies were deemed weaker, action has been taken to ensure the committee fulfils its responsibilities.
- Governors maintain effective oversight and management of risk in all areas of the Trust's operation. The Audit Committee ensures that the Trust Risk Register is scrutinised at each meeting. Local Governing Bodies review academy risk registers and these are quality assured

Strategic aim 5: Be an employer of choice

- Significant effort has been taken during the year to develop a Trust CPD plan to ensure that is effective for the development of staff in all roles and has resulted in the development of handbooks, training plans and guidance for specific groups of support staff. Network group attendance has been positive.
- Our staff appraisal system has been developed to roll out a process from September 2024 which focuses on professional growth and is designed to help line managers facilitate the aspirations of individuals. To support professional growth conversations, we have developed a Careers Pathway brochure which is inclusive of all staff roles across the Trust.
- In order to better induct new Head and Deputy Head Teachers into their roles, we have developed an induction programme which links to all central support functions and Headteachers' standards.

- The Employee Engagement Forum remains an effective forum to hear staff feedback from across the Trust and across the many roles staff operate in within our schools and central support team. Following feedback from the Forum, we introduced a staff recognition award scheme that all schools have participated in during the year.
- WISE staff turnover has reduced from the previous year: Trust voluntary turnover was 9.8% (2023: 10.3%) and total turnover was 12.6% (2023: 13.7%). Our turnover is significantly lower than CIPD reported data which states that the average churn for UK was 34%.
- In addition to the strategies mentioned above, in order to promote better recruitment and retention, we have also refreshed leaders with safer recruitment training, developed an internal employee website to promote communications; introduced Stay Interviews to gain insights from staff as to why they enjoy working for WISE Academies and launched a new starters forum to understand how people settle into their new roles and identify any issues.

Strategic aim 6: Deliver high quality estate management

- The Estate Strategy identifies key priorities for estate improvement and capital investment. Capital reports have been submitted in relation to utilisation of capital funding and have been acceptable. Planning has been strategic and joined up with regular overview by the Trustees' Finance and General Purposes Committee.
- Schools Condition Allocation is consistent with the Trust's criteria for use and the terms and conditions of the grant. All submissions in relation to this grant have been in line with requirements.
- All academy sites are compliant and safe. Health and Safety Audits that have taken place within the year have been positive and flag no areas of concern. There was 100% compliance on the statutory maintenance tracker.
- An online platform is being utilised effectively across the Trust for managing all aspects of statutory compliance. This provides real time Health and Safety metrics and has reported high levels of compliance throughout the year.

Strategic aim 7: Ensure a well co-ordinated, strategic approach to IT

- During the year, we have worked to ensure all settings comply with DfE Digital Standards requirements which has involved our exploration into adding resilience into our broadband connection and improve our continuity of service. This plan will be rolled out during 2024-25. Additionally, we have increased our backup solution capacity and rationalized backup storage demand. The physical storage sites of servers have been reviewed and wherever possible hardware has been relocated to more appropriate, secure locations. Guest networks are in place at all sites to provide secure guest access.
- To further secure data and minimize the risk of malware and ransomware attacks we have implemented external testing of cyber security systems and rolled out encryption software across the users of the Trust.
- An annual review of whitelist and firewall sites is now in place to ensure our filtering and monitoring systems continue to meet KCSIE standards and leaders within the organization have received relevant training to ensure their competence around following up notification alerts appropriately.
- Our IT resource has strengthened during the year in both capacity and expertise to support further development in our IT infrastructure to ensure it remains fit for purpose and effective within a growing organization. A review has been undertaken to consider the further utilization of mobile device management and automation of routine tasks.

Strategic aim 8: Grow to secure sustainability, achieve greater efficiencies and support schools in need.

- Following the continued development of relationships with our local authorities and surrounding schools, we have worked with three schools from the Durham region throughout the year who have joined WISE Academies from 1 September 2024.
- Our due diligence systems continue to be refined to ensure that the risks associated when acquiring new schools are identified and fully considered.
- Effective oversight of all Trust schools has been maintained through the Hub structure and Hub Governance board. The addition of three schools from the Durham area has created a fourth Hub. The Hub approach is working effectively to ensure oversight, support and intervention where necessary and each hub is supported by a Hub Leader and Hub Governance clerk.
- All schools have had immediate access to high quality support by the central team in Finance, HR, Governance, Health and safety, Estates Management, IT, Educational Support. Teams are kept under review to determine capacity and changes are made to ensure roles are manageable. Communication within the Trust family of schools has improved during the year with the development of the internal employee website.
- External collaboration with schools and Early Years settings in our surrounding areas has been supported through our sharing of expertise following the work of the Great North Early Years Stronger Practice Hub and Town End Research School.

Strategic aim 9: Ensure the Trust has an excellent reputation.

- Trust leaders contribute to local, regional and national events. The Trust CEO has continued to complete work on behalf of the DfE and is a Trustee of Schools North East.
- Town End Research School and Great North Early Years Stronger Practice Hub were approved from September 2024 and both initiatives are extremely strong advocates for the Trust delivering high quality research-based training events across the North East region.
- WISE Academies continues to be approached to support schools through the School Improvement Offer.
- As a follow up to the Ofsted judgement at Welbeck Academy, we invited key stakeholders from the Local Authority and the DfE Regional Director to visit the school where we received very positive feedback and support for the leaders of the school.

Public Benefit

The Trustees have paid due regard to guidance on public benefit issued by the Charity Commission in setting objects and aims and planning what activities the Trust should undertake. All charitable activities are undertaken to further the advancement of education to all students in its care and partnership organisations in the wider community.

STRATEGIC REPORT

Achievements and Performance

Summary

WISE Academies continues to build upon its reputation for success. The year involved completing due diligence exercises with three schools from the Durham region who joined the Trust from September 2024. Our wider support to schools and other settings across the North East region was served by the work of our Town End Research School and the Great North Early Years Stronger Practice Hub whereby both teams have delivered quality research-based training events and support networks during the year. The schools within the Trust have persistently focussed on ensuring that all pupils learn to read, write fluently and calculate accurately and continued to deploy catch up strategies to counter the national adverse impact that pandemic lockdowns had on both learning and attendance during 2020 and 2021. Academic outcomes at the end of the year demonstrate that strategies have been successful. Trust outcomes for Key Stage 1 are above national averages and at the end of Key Stage 2 outcomes are broadly in line with national. Our disadvantaged pupils have performed very well when compared to other disadvantaged pupils across the country. Three academies in the Trust have received an Ofsted inspection in the period.

Ofsted Inspections

North View Academy

North View Academy was inspected by Ofsted in November 2023 and the reported outcome was that it continues to be a good school. North View Academy is a specialist primary provision for up to 85 children with social, emotional and mental health difficulties. The ethos of the school puts children first making every effort to create a happy, secure and stimulating learning environment where all pupils can grow in confidence and develop their potential. The inspection report acknowledged that pupils thrive at North View Academy and relationships between pupils and staff are caring and strong. The inspectors observed that the staff skilfully support pupils with their individual needs and pupils trust the adults who work with them and noted that staff plan for pupils' personal development throughout the school day. The report noted that leaders ensure advice from therapists and other professionals is understood and effectively implemented. Inspectors commented that the school has carefully constructed a broad and ambitious curriculum, based on the national curriculum, which is designed to help pupils prepare for their next stage in education. Each morning, English and Mathematics is taught in classes that best match pupils' levels of understanding and afternoon lessons are arranged within tutor groups to support learning across other curriculum subjects. The report commented that leaders and staff promote pupils' personal development effectively and pupils benefit from the many enrichment activities offered by the school to enhance pupils' learning experiences. The arrangements for safeguarding were judged to be effective.

Hasting Hill Academy

Hasting Hill Academy was inspected in December 2023 and achieved a good judgement across all areas. Ofsted inspectors commented that the school was warm and welcoming, behaviour is good, and that the school's high ambition for pupils was reflected in the curriculum. The pupils respond

well to these high expectations. The report observed that the reading and mathematics curriculums help pupils to learn well with tailored support for those pupils who need it. Other subjects also have well-sequenced plans and pupils steadily build up what they know and can do. The report acknowledged that pupils with SEND achieve well and teachers effectively adapt lessons and support pupils. The Early Years provision was noted as being calm and purposeful with a carefully mapped out curriculum and support to match pupils' stage of development. The report also stated that pupils receive a wide range of experiences to support their personal development and support for pupils' social and emotional well-being was extensive. Staff benefit from extensive support and training and the report commented that staff have full confidence in school leadership. The arrangements for safeguarding were reported as effective.

Welbeck Academy

Welbeck Academy was inspected in November 2023 which resulted in a Requires Improvement grading despite all areas achieving 'Good' results with the exception of Quality of Education. The overall outcome was hugely disappointing for our leadership teams and staff of both the school and the Trust who work tirelessly to meet the challenges of a large primary school with a deprivation indicator of 75.2% of children with free school meals eligibility. Inspectors reported that progress in vocabulary and grammatical skills can be slow and in the wider curriculum they felt that teaching does not consistently enable pupils to retain knowledge and skills to deepen their understanding. Despite this judgement, the inspectors noted that 'Welbeck is a place where pupils come first' and commented that pupils have a strong sense of belonging and security. They behave well and have positive attitudes in lessons with a range of clubs and visits to broaden their experiences. The report stated that 'Leaders are aspirational for their pupils' and the curriculum is designed to clearly map out the most important knowledge and skills pupils need to learn. The early years' provision was found to be calm and purposeful with high expectations around how children should learn and behave. The report acknowledged that there are clear processes to support the identification and assessment of pupils with special educational needs and/or disabilities and that the school is determined and tenacious in ensuring pupils with SEND receive the right support. The pupils within the schools' additional resource provision (ARP) also receive a well-designed curriculum that meets their needs. Inspectors noted that staff are proud to work at the school and within the Trust and benefit from a range of training. They also reported that the school is seen as a point of support for the whole community and parents comment very positively about the school.

In response to the report, key stakeholders from the local authority and the DfE were invited to visit Welbeck Academy and we received very positive feedback from them. Staff were consulted with following the issue of the report to complete a review of the learning points from the Ofsted inspection and work continues to focus on the outcomes for all pupils within the school.

Pupil Outcomes

Gold Level of Development

The Trust continues to work to combat the effect that the pandemic has had on children entering the school system who were born during and just after the lockdown periods of 2020 and 2021. The national average of Good Level of Development (GLD), which pupils reach by the end of Reception, prior to the pandemic was 72%. This year, the overall Trust average was 65% which is in line with national average data from 2023 of 67%. Many individual schools achieved better than average

results. Our disadvantaged pupils across the Trust also performed in line with the 2023 national average of 52% with an overall Trust average of 53% of disadvantaged pupils achieving the GLD within the Trust. Further details can be found in Table A overleaf.

Year 1 Phonics

The Trust continues to prioritise time and resource to ensure as many pupils as possible pass the Year 1 phonics check and the overall Trust outcomes in 2024 of 83% are better than the 2024 national average of 80%. Disadvantaged pupils in the Trust perform particularly well in phonics. 76% of these pupils passed the phonics check compared to the national disadvantaged figure of 68%. Further details can be found in Table A.

KS1 Outcomes

The Trust has published our 2023-24 Key Stage 1 outcomes in Table B1 and B2 overleaf. These tests became optional this year and our report compares them with reported 2023 national averages. At the expected standard, the Trust averages are largely in line with national average results: i) reading 69% v's 68%; ii) writing 59% v's 60%; iii) mathematics 72% v's 70% with a combined average score of 55% measuring against a national average of 56%. Disadvantaged pupils achieving the expected standard outperformed the 2023 national averages with comparatives for each subject being: i) reading 57% v's 54%; ii) writing 46% v's 44%; iii) mathematics 63% v's 56% with a combined average score of 42% measuring against a national average of 41%. In terms of pupils achieving the greater depth standard, whole school Trust averages are in line with the 2023 national averages of writing 8% and mathematics 16%, with reading outcomes slightly lower (18% against 19%). The achievement of our disadvantaged pupils in all greater depth measures is tracking with lower results to that of all pupils.

KS2 Outcomes

The Trust Key Stage 2 outcomes compare well with the 2024 national at the expected standard. In reading the Trust average for pupils achieving the expected standard was 72% and the national was 74%; in writing the Trust average was 71% and the national was 72% and in maths the Trust average was 74% and the national was 73%. Our 2023-24 cohort of disadvantaged pupils performed better than the national disadvantaged average scores across all measures. Our greater depth Trust average is lower than the 2024 national averages, although we have schools within the Trust that have reported strong results individually. Further details can be found in Tables C1 and C2.

Table A: Early Years Good Level of Development & Y1 Phonics Results 2024

	Reception GLD		Y1 Phonics Check	
	All Pupils	Disadvantaged	All Pupils	Disadvantaged
National Average	*67%	*52%	80%	68%
Trust Average Overall	65%	53%	83%	76%
Adderlane Academy	63%	33%	90%	86%
Ashley Academy	69%	46%	84%	68%
Bexhill Academy	72%	100%	69%	68%
Croftway Academy	67%	55%	71%	50%
Haltwhistle Primary Academy	64%	50%	93%	75%
Hasting Hill Academy	63%	66%	84%	90%
Malvin's Close Academy	73%	57%	90%	71%
Morpeth Road Academy	44%	23%	72%	68%
Prudhoe West Academy	80%	57%	82%	73%
Shaftoe Trust Academy	69%	50%	94%	100%
Town End Academy	56%	38%	82%	77%
Welbeck Academy	61%	63%	80%	81%

NB: *2023 National Average Scores (GLD) as 2024 are not available.

Table B1: KS1 Results 2023 –Expected Standard

KS1 - Expected Standard					
Key: R - Reading W - Writing M - Mathematics R/W/M - Combined		2023 National Average (All Pupils)	2024 All Pupils	2023 National Average (Disadvantaged)	2024 Disadvantaged Pupils
Trust Average Overall	R	68%	69%	54%	57%
	W	60%	59%	44%	46%
	M	70%	72%	56%	63%
	R/W/M	56%	55%	41%	42%
Adderlane Academy	R	68%	86%	54%	67%
	W	60%	71%	44%	67%
	M	70%	79%	56%	67%
	R/W/M	56%	71%	41%	67%
Ashley Academy	R	68%	70%	54%	56%
	W	60%	53%	44%	40%
	M	70%	72%	56%	52%
	R/W/M	56%	50%	41%	36%
Bexhill Academy	R	68%	73%	54%	68%
	W	60%	61%	44%	55%
	M	70%	61%	56%	64%
	R/W/M	56%	50%	41%	45%
Croftway Academy	R	68%	68%	54%	67%
	W	60%	50%	44%	33%
	M	70%	64%	56%	57%
	R/W/M	56%	45%	41%	29%
Haltwhistle Primary Academy	R	68%	71%	54%	43%
	W	60%	64%	44%	43%
	M	70%	89%	56%	86%
	R/W/M	56%	57%	41%	29%
Hasting Hill Academy	R	68%	50%	54%	38%
	W	60%	40%	44%	40%
	M	70%	47%	56%	25%
	R/W/M	56%	30%	41%	13%

WISE Academies
TRUSTEES' REPORT (continued)

KS1 - Expected Standard (continued)					
Trust	R	68%	69%	54%	57%
Average	W	60%	59%	44%	46%
Overall	M	70%	72%	56%	63%
	R/W/M	56%	55%	41%	42%
Malvin's Close Academy	R	68%	71%	54%	60%
	W	60%	56%	44%	44%
	M	70%	70%	56%	60%
	R/W/M	56%	55%	41%	44%
Morpeth Road Academy	R	51%	41%	54%	35%
	W	41%	37%	44%	35%
	M	56%	48%	56%	47%
	R/W/M	56%	26%	41%	24%
Prudhoe West Academy	R	68%	84%	54%	67%
	W	60%	76%	44%	50%
	M	70%	89%	56%	67%
	R/W/M	56%	76%	41%	50%
Shaftoe Trust Academy	R	68%	79%	54%	71%
	W	60%	68%	44%	57%
	M	70%	84%	56%	71%
	R/W/M	56%	68%	41%	57%
Town End Academy	R	68%	80%	54%	80%
	W	60%	76%	44%	60%
	M	70%	77%	56%	80%
	R/W/M	56%	76%	41%	60%
Welbeck Academy	R	68%	59%	54%	54%
	W	60%	59%	44%	54%
	M	70%	59%	56%	54%
	R/W/M	56%	54%	41%	48%

Table B2: KS1 Results 2023 –Greater Depth

KS1 - Greater Depth				
Key: R - Reading W - Writing M - Mathematics R/W/M - Combined		2023 National Average (All Pupils)	2024 All Pupils	2024 Disadvantaged Pupils
Trust	R	19%	18%	11%
Average	W	8%	8%	0%
Overall	M	16%	16%	9%
	R/W/M	6%	0%	0%
Adderlane Academy	R	19%	36%	17%
	W	8%	21%	17%
	M	16%	29%	33%
	R/W/M	6%	14%	17%
Ashley Academy	R	19%	18%	0%
	W	8%	0%	0%
	M	16%	18%	16%
	R/W/M	6%	0%	0%
Bexhill Academy	R	19%	8%	23%
	W	8%	11%	5%
	M	16%	19%	0%
	R/W/M	6%	6%	0%
Croftway Academy	R	19%	16%	10%
	W	8%	0%	0%
	M	16%	11%	0%
	R/W/M	6%	0%	0%
Haltwhistle Primary Academy	R	19%	7%	0%
	W	8%	0%	0%
	M	16%	11%	0%
	R/W/M	6%	0%	0%
Hasting Hill Academy	R	19%	10%	6%
	W	8%	0%	0%
	M	16%	7%	6%
	R/W/M	6%	0%	0%

WISE Academies
TRUSTEES' REPORT (continued)

KS1 - Greater Depth (continued)				
Trust	R	19%	18%	11%
	W	8%	8%	0%
Average	M	16%	16%	9%
	R/W/M	6%	0%	0%
Overall	R	19%	14%	16%
	W	8%	9%	4%
	M	16%	5%	8%
	R/W/M	6%	2%	4%
Malvin's Close Academy	R	19%	11%	6%
	W	8%	0%	0%
	M	16%	4%	0%
	R/W/M	6%	0%	0%
Morpeth Road Academy	R	19%	32%	33%
	W	8%	16%	0%
	M	16%	35%	33%
	R/W/M	6%	3%	0%
Prudhoe West Academy	R	19%	32%	5%
	W	8%	21%	5%
	M	16%	26%	5%
	R/W/M	6%	14%	0%
Shaftoe Trust Academy	R	19%	34%	40%
	W	8%	7%	10%
	M	16%	28%	50%
	R/W/M	6%	7%	10%
Town End Academy	R	19%	2%	2%
	W	8%	0%	0%
	M	16%	2%	2%
	R/W/M	6%	0%	0%
Welbeck Academy	R	19%	2%	2%
	W	8%	0%	0%
	M	16%	2%	2%
	R/W/M	6%	0%	0%

Table C1: KS2 Results 2023 – Expected Standard

KS2 - Expected Standard					
Key: R - Reading W - Writing M - Mathematics R/W/M - Combined		2024 National Average (All Pupils)	2024 All Pupils	2024 National Average (Disadvantaged)	2024 Disadvantaged Pupils
Trust Average Overall	R	74%	72%	60%	66%
	W	72%	71%	58%	63%
	M	73%	74%	59%	65%
	SPAG	72%	67%	-	62%
	R/W/M	61%	62%	45%	51%
Ashley Academy	R	74%	72%	60%	42%
	W	72%	70%	58%	42%
	M	73%	70%	59%	53%
	SPAG	72%	69%	-	-
	R/W/M	61%	57%	45%	37%
Bexhill Academy	R	74%	86%	60%	76%
	W	72%	82%	58%	68%
	M	73%	86%	59%	76%
	SPAG	72%	82%	-	72%
	R/W/M	61%	82%	45%	65%
Croftway Academy	R	74%	85%	60%	76%
	W	72%	76%	58%	59%
	M	73%	81%	59%	69%
	SPAG	72%	81%	-	69%
	R/W/M	61%	73%	45%	52%
Haltwhistle Primary Academy	R	74%	87%	60%	90%
	W	72%	81%	58%	75%
	M	73%	84%	59%	60%
	SPAG	72%	81%	-	70%
	R/W/M	61%	71%	45%	60%
Hasting Hill Academy	R	74%	67%	60%	61%
	W	72%	67%	58%	61%
	M	73%	63%	59%	56%
	SPAG	72%	63%	-	56%
	R/W/M	61%	63%	45%	56%
Malvin's Close Academy	R	74%	68%	60%	64%
	W	72%	72%	58%	68%
	M	73%	64%	59%	52%
	SPAG	72%	64%	-	52%
	R/W/M	61%	55%	45%	40%
Morpeth Road Academy	R	74%	59%	60%	60%
	W	72%	59%	58%	55%
	M	73%	57%	59%	63%
	SPAG	72%	48%	-	49%
	R/W/M	61%	50%	45%	51%
Shaftoe Trust Academy	R	74%	53%	60%	50%
	W	72%	71%	58%	50%
	M	73%	82%	59%	67%
	SPAG	72%	65%	-	50%
	R/W/M	61%	47%	45%	33%
Town End Academy	R	74%	75%	60%	73%
	W	72%	75%	58%	75%
	M	73%	75%	59%	64%
	SPAG	72%	63%	-	73%
	R/W/M	61%	63%	45%	55%
Welbeck Academy	R	74%	66%	60%	64%
	W	72%	64%	58%	57%
	M	73%	78%	59%	74%
	SPAG	72%	58%	-	49%
	R/W/M	61%	58%	45%	51%

Table C2: KS2 Results 2023 – Greater Depth

KS2 - Greater Depth					
Key: R - Reading W - Writing M - Mathematics R/W/M - Combined		2024 National Average (All Pupils)	2024 All Pupils	*2023 Combined National Average (Disadvantaged)	2024 Disadvantaged Pupils
Trust Average Overall	R	28%	25%	-	21%
	W	13%	9%	-	0%
	M	24%	13%	-	8%
	SPAG	32%	22%	-	15%
	R/W/M	8%	3%	*3%	0%
Ashley Academy	R	28%	22%	-	0%
	W	13%	17%	-	0%
	M	24%	7%	-	0%
	SPAG	32%	35%	-	0%
	R/W/M	8%	7%	*3%	0%
Bexhill Academy	R	28%	32%	-	24%
	W	13%	16%	-	12%
	M	24%	18%	-	16%
	SPAG	32%	26%	-	24%
	R/W/M	8%	12%	*3%	8%
Croftway Academy	R	28%	39%	-	34%
	W	13%	8%	-	7%
	M	24%	15%	-	17%
	SPAG	32%	27%	-	21%
	R/W/M	8%	3%	*3%	3%
Haltwhistle Primary Academy	R	28%	29%	-	40%
	W	13%	16%	-	0%
	M	24%	13%	-	0%
	SPAG	32%	23%	-	10%
	R/W/M	8%	3%	*3%	0%
Hasting Hill Academy	R	28%	33%	-	28%
	W	13%	0%	-	0%
	M	24%	13%	-	11%
	SPAG	32%	30%	-	22%
	R/W/M	8%	0%	*3%	0%
Malvin's Close Academy	R	28%	19%	-	12%
	W	13%	6%	-	0%
	M	24%	19%	-	4%
	SPAG	32%	19%	-	8%
	R/W/M	8%	2%	*3%	0%
Morpeth Road Academy	R	28%	13%	-	14%
	W	13%	4%	-	3%
	M	24%	4%	-	4%
	SPAG	32%	9%	-	6%
	R/W/M	8%	0%	*3%	0%
Shaftoe Trust Academy	R	28%	12%	-	17%
	W	13%	0%	-	0%
	M	24%	12%	-	17%
	SPAG	32%	18%	-	33%
	R/W/M	8%	0%	*3%	0%
Town End Academy	R	28%	29%	-	33%
	W	13%	13%	-	13%
	M	24%	13%	-	0%
	SPAG	32%	17%	-	18%
	R/W/M	8%	4%	*3%	0%
Welbeck Academy	R	28%	17%	-	17%
	W	13%	5%	-	4%
	M	24%	14%	-	13%
	SPAG	32%	12%	-	11%
	R/W/M	8%	0%	*3%	0%

NB: All data based on invalidated datasets and could be subject to slight changes.

Development of the Trust estate

WISE Academies has invested £1.7m in land and building capital projects to improve and develop the estate across the year which has largely been funded by School Condition Allocation (SCA).

Trustees have an agreed a policy in line with the terms of the grant which set out the principles for how the funding would be allocated focussing on condition priorities including health and safety, weather tightness, energy efficiency and accessibility of buildings. Priority areas are reviewed each year and the central Estates Team's management of the estate and use of capital funding is subject to scrutiny by the Board of Trustees and its committees.

Some of the major works this year have included:

- Completion of a remodelling scheme at Adderlane Academy to address life-expired demountable classroom units, improve accessibility and provide an appropriate learning environment;
- Compliance works including water hygiene, electrical works and upgrades to fire alarm systems;
- Site security improvements;
- Roof replacements, and
- Upgrades to drainage systems.

Going Concern

The Board of Trustees have considered current performance and reserves, future developments and pupil numbers as documented within the Strategic Report. After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the Success of the Company

The Trustees recognise that their role as directors of the company must promote the success of the Trust, and in doing so must act fairly and have regard to a range of consequences of their decisions on the Trust's long-term viability. These include the interests of employees; business relationships with suppliers, customers and stakeholders; the community and the environment, and our reputation for high standards of business conduct.

Annually, the Trustees undertake an in-depth review of the Trust Improvement Plan which details objectives and actions required towards the provision of an excellent standard of education, the safeguarding, wellbeing and behaviours of pupils, the development of teaching and learning operating systems, school to school support, governance and financial management, development of the workforce, estate management, IT development and the development and maintenance of regional and national reputation. The Trust Improvement Plan set standards which determine requirements and behaviours in respect of the activities of the Trustees and our workforce.

FINANCIAL REVIEW

Most of the Trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA), in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the period 1 September 2023 to 31 August 2024 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities (SOFA).

All of the expenditure shown in the SOFA is in furtherance of the Trust's objectives. During the year ended 31 August 2024, total expenditure of £27,997k (2023: £25,107k) (excluding net FRS102 adjustments of £114k made to the LGPS pension fund, depreciation and amortisation) was met by recurrent grant funding from the ESFA, other incoming resources and funding carried forward from the previous year together with transfers to capital funds of £285k to support various capital projects.

Net expenditure for the year was £716k, which when added to brought forward cumulative reserves, excluding pension and fixed asset reserves, of £4,684k (restricted general funds £1,350k and unrestricted general funds £3,334k), provides overall cumulative general reserves for the year ended 31 August 2024 of £4,473k, split as restricted general funds £1,010k and unrestricted general funds £3,463k.

The Trust also receives grants for capital investment, mainly from the DfE/ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the SOFA 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. During the year, £95k (2023: £95k) was received in respect of Devolved Formula Grants and £637k (2023: £645k) of School Condition Allocation (SCA) funding.

The Trust invested £2,028k (GAG surpluses £76k; unrestricted funds £209k and £229k from capital grants and donations) to further improve the assets of the Trust together with utilising £1,514k of brought forward capital grants. Major projects completed during the year include:

- Completion of Adderlane Academy classroom and accessibility remodelling project - £1,125k
- Energy Efficiency projects - £68k
- Replacement roofing project - £107k
- Improvements to drainage systems - £96k
- Upgrades to external learning environments - £52k
- Toilet refurbishments - £47k
- Improvements to site security - £34k
- Classroom refurbishments and new flooring - £31k
- Upgrades to fire alarm systems - £16k
- Various other improvements to site buildings and environments - £154k
- IT investment across the Trust - £92k
- Fixtures and fittings improvements across the Trust - £206k

At 31 August 2024, the net book value of tangible fixed assets was £35,457k and movements in tangible fixed assets are shown in note 14 to the Financial Statements.

WISE Academies continues to maintain a strong cash position, as at 31 August 2024, cash in hand and short term investments totalled £6,597k (2023: £7,450k) with a further cash investment of £1m placed on deposit until December 2025.

Financial Risk Management Objectives

The Trust continues to review and maintain its Risk Management Strategy and has a Risk Register which includes the potential financial risks. This exercise identifies and reviews key risks to which the Trust may be exposed to, together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Trust recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 27 to the Financial Statements, represents a significant potential risk given the variability in position and required contributions at each valuation. However, the Trust considers that, as each individual academy, and hence the Trust, is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised. There is also an agreed guarantee from Parliament dated 18 July 2013 that, in the event of academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education.

Key Performance Indicators

	2024	2023
Total staff costs / GAG income	132.8%	128.4%
Total staff costs / Total income from charitable activities	81.9%	81.4%
Working Capital / Total Reserves	10.1%	15.2%
Liquidity Ratio	2.1	3.6

Reserves Policy

The Reserves Policy has been prepared with reference to the following documents: Charities and Reserves (CC19) from the Charities Commission; Academies' Handbook and ESFA Accounts Direction and considers the key factors around the management of public funds; consideration of our principal risks and uncertainties; ensuring resources are available to drive school improvement whilst safeguarding value for money and supporting a growth strategy. Trustees review the Reserves Policy at least annually.

Budgets are set for each academy with a view to being balanced each year whilst supporting the aims and goals of each individual setting at sustainable levels. Academies can request funding from reserves to support specific capital works or school improvement projects designed to boost school improvement requirements in the short term. Any depletion of reserves at individual settings below recommended levels are required to be built back within a medium-term target plan.

Trustees have reviewed the reserves policy for the Trust in view of balancing the needs of today's pupils and those of the future, ensuring that the organisation remains a going concern and supporting the management of key risks, effective management of public funds and decision making, whilst also supporting a growth strategy together with the existing portfolio of academies.

Reserves at each academy should be maintained around levels equivalent to 10% of total income to a maximum of £300k to support the key considerations as outlined above. A short term increase may be approved by Trustees under exceptional circumstances to support the funding of specific projects.

At the year end, any balances being carried forward will be considered as part of the policies and guidance in relation to reserves and budget setting. All funds remain that of the Trust and will be consolidated into the Financial Statements.

The Trust's total reserves at the Balance Sheet date of 31 August 2024 were £40,553k (2023: £41,383k), this includes restricted general funds (excluding pension) of £1,010k (2023: £1,350k), restricted fixed asset funds of £36,080k (2023: £36,699k), with the level of unrestricted reserves being £3,463k (2023: £3,334k).

Analysis of reserves can be found in note 18 to the Financial Statements.

Trustees have approved the utilisation of c£80k reserves during 2024-25 to fund a specific project to improve the Early Years outdoor provision at Ashley Academy. The consolidated 2024-25 budget was balanced at Trust level but included an assumption that three individual schools: Adderlane Academy; Morpeth Road Academy and Town End Academy would post in-year deficits funded by reserves amounting to £138k to support school improvement projects during the year. Other aims are discussed in the Plans for Future Periods section further in this report.

Investment Policy

The Investment Policy is reviewed periodically by the Trustees to ensure funds are used in accordance with the law, the Articles of Association, the funding agreement and the principles of the Academies Handbook. The objectives of the policy are:

- to achieve best financial return available whilst ensuring that security of deposits takes precedence over revenue maximisation
- to only invest funds surplus to operational need based on all financial commitments being met without the Trust bank account becoming overdrawn
- manage, control and track financial exposure

As at 31 August 2024, the cash balance of £6,597k included funds of £3,530k that are being held in a combination of interest bearing accounts and short term investments attracting interest rates between 2.5% and 5.08% as at 31 August 2024. A further £1m cash deposit is due to mature in December 2025 attracting a fixed interest rate of 4.37%.

Principal Risks and Uncertainties

The Trust is subject to a number of risks and uncertainties in common with other academies and has in place a Risk Management process to identify risks and record and monitor each risk together with their mitigation on the Trust Risk Register, which classifies risk alongside our nine Strategic Aims: Educational Standards; SMSC Development; Financial; Governance; HR; Estate Management; IT; Growth and Reputation. The register is reviewed at each meeting of the Audit Committee together with our Estates Compliance tracker to ensure the Trust's estate is well maintained. The key risks and uncertainties which the Trust is exposed to are listed below:

- Outcomes for pupils are too low resulting in poor performance in statutory tests in 2024. This risk was influenced by relatively low writing outcomes across KS1 and KS2 by the end of Summer 2023. The Trust has a high percentage of disadvantaged pupils and there was a risk that outcomes in the Trust could be adversely affected by lower outcomes for these disadvantaged cohorts. SEND pupils are increasing significantly across our schools which requires additional resource and funding. With this in mind the Trust has continued to provide training for practitioners around the most effective strategies for improvement and

teaching. All disadvantaged pupils had been effectively identified to maximise the impact of Pupil Premium funding. Covid Recovery and School-led tutoring funding continued to be deployed effectively to support focused teaching across all schools. Support staff were deployed strategically for small group work where possible to also support SEND children and there is expertise within the Trust to apply and receive higher band funding for EHCP pupils.

- An ongoing risk was that schools may not achieve a good outcome in an Ofsted inspection. This was particularly a risk where results are not at the expected standard, as this has the potential to adversely affect Ofsted outcomes. To counter this, leaders have a clear understanding of the expectations of inspection. The Trust has a successful record of school inspection outcomes and will continue to use learning from the previous year to ensure that schools in the Ofsted window are well prepared.
- Pupil attendance levels are below the reported national averages. A range of initiatives are being used to promote good attendance with robust attendance procedures in place across the Trust with clearly defined roles and responsibilities. In addition, our full time Attendance Officer supports all academies to ensure procedures are implemented effectively.
- Adverse impact of increased costs to reserves. Trustees review the Reserves Policy each year to ensure that the organisation maintains an appropriate level of protection against rising costs due to current and future economic factors. Monthly management accounts reports are produced which track income and expenditure against budgeted expectations and include year end forecast information including cash positions to ensure future commitments are met.
- Key staff leaving the organisation due to alternative employment or retirement. The Trust continues to review and develop succession planning strategies to ensure it is able to staff the organisation with an effective workforce including a 5-year succession plan for some of the key Trust positions. The employee engagement forum continues to meet during the year to hear the views and connect with staff from a variety of different roles across the Trust.
- An inability to secure supply staff to cover absences had been identified as a risk due to some issues with capacity from supply staff agencies. This has led to the trialling of a pilot in-house solution whereby a small number of supernumerary staff are being utilised to provide cover together with ongoing engagement with supply staff agencies.
- Academy leadership capacity being insufficient to effectively operate. The Trust has developed and implemented well co-ordinated induction training to build knowledge and particularly support those school leaders who are either relatively new to senior roles or who are secure within senior roles and had recently moved into the Trust.
- Disruption or loss of service due to IT systems being comprised by ransomware or cyber-attacks. All staff within the Trust are given training to ensure we comply with RPA insurance requirements for cybercrime mitigation. Anti-virus software is installed and Windows updates are applied in a timely manner. Third-party testing of firewall systems is in place to ensure the robustness of our security measures.

Funds Held as Custodian Trustee on Behalf of Others

There are no funds held as Custodian Trustee on behalf of others.

Fundraising

The academies within the Trust periodically carry out fundraising activities in order to raise funds for school resources or projects. The Trust ensures that all academies are compliant with their legal duties ensuring that they are:

- acting in the best interest of the organisation
- managing each academy's resources responsibly, which includes protecting and safeguarding its reputation
- acting with reasonable care and skill
- protecting vulnerable people

The Trust does not use any external fundraisers.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2023 to 31 August 2024	1 September 2022 to 31 August 2023
Energy consumption used to calculate emissions (kWh)	4,322,913	4,368,212
Energy consumption break down (kWh) <ul style="list-style-type: none"> • gas • electricity • transport fuel 		
Scope 1 emissions in metric tonnes CO ₂ e <ul style="list-style-type: none"> • Gas consumption • Owned transport – mini-buses 	568.11 0.20	570.16 0.32
Total Scope 1	568.31	570.48
Scope 2 emissions in metric tonnes CO ₂ e <ul style="list-style-type: none"> • Purchased electricity 	242.85	245.97
Scope 3 emissions in metric tonnes CO ₂ <ul style="list-style-type: none"> • Business travel in employee owned vehicles 	10.05	13.49
Total gross emissions in metric tonnes CO ₂	821.22	829.93
Intensity Ratio Tonnes CO ₂ e per pupil	0.26	0.26

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2024 UK Government's Conversion Factors for Company Reporting.

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures Taken to Improve Energy Efficiency

Using School Condition Allocation (SCA) and Environmental Improvement Grant (EIG) funding streams, the Trust continue to review its estate with a view to making improvements to premises to

ensure that they are safe, compliant and energy efficient. During the year, we have completed energy efficiency projects across schools which include upgrading lighting systems and roofs.

The Trust continued to promote the use of virtual meeting platforms during the year to provide an opportunity to reduce the need for travel between sites.

Plans for Future Periods

The latest Trust Strategic Business Plan was approved by Trustees at the start of the 2022-23 academic year. This set out the direction of the MAT over the next three years and includes details of the Trust's operating model, governance structure, the mission statement of the Trust and key objectives. The document clearly sets out the Trust's commitment to high achievement and success for the communities which were served by academies. Trustees have reviewed a plan of Trust Key Priorities for 2024-25 that are linked to this Business plan.

The priorities include actions to ensure our academies provide an excellent standard of education for all pupils including the engagement of all schools in the Raising Attainment for Disadvantaged Youngsters (RADY) programme and ensure disadvantaged pupils are the first focus in monitoring and pupil progress meetings; continue to develop the work of the 'Writing Continuum' working party and build upon work that has taken place to ensure the basics in development of Early Writing; Trust Maths Lead to monitor and focus support in schools where maths outcomes are low; consider the implementation of the NCETM Mastering number approach in Reception and KS1 to supplement existing practice; develop effective assessment frameworks to identify gaps in mathematics; support staff training in the delivery of our phonics programmes and the development of fluency; further embed the WISE Teaching and Learning principles across the Trust.

A key priority remains to improve Trust Attendance so that it is at least in line with national averages. The new DfE statutory guidance has been implemented and our Trust Attendance lead continues to monitor and support all WISE schools to ensure that their attendance strategies and tools remain effective.

The WISE Childhood Pledge will be rolled out across all Trust schools where each school will appoint a Childhood Pledge Ambassador to champion activities and promote enthusiasm amongst pupils.

Our upgrade to the central Finance system has been deferred from last year and will be actioned during this year to ensure our operating systems are running with the current versions and support effective report writing functionality. Work will also focus on ensuring schools new to the Trust integrate effectively into Trust systems and processes supported by strategic and operational training for appropriate staff.

Plans for governance focus are to ensure the effective induction of new Trustees following the expansion of the Trust Board, establish a fourth Regional Board to reflect geographical expansion and to embed local governance in those academies which joined the Trust from September 2024.

To support our aim of being an employer of choice we plan to develop a Workforce Retention Strategy which will focus on wellbeing, training and development and rewards and recognition. Alongside that work, we plan to develop a strategy to better utilise apprentices and the Apprentice Levy to address skills shortages. Following the launch of our employee internal communications website, we continue to focus on better ways to engage with staff particularly around their induction and probation period and feedback from our Employee Engagement Forum.

We continue to review the quality of the current building condition information to establish if any additional surveys are required to ensure estate management priorities are based upon high quality, consistent data. Work will focus on the development of a WISE Sustainability Strategy in line with DfE expectations.

Priorities for the Strategic IT plan include integrating our new team into the Trust, identifying clear roles and responsibilities amongst team members who will each become a key liaison person for each Hub to provide strategic leadership across the Trust. An Action Plan has been developed following the internal assurance review of cyber security resilience and is being worked through during the year to ensure all reported Level 1 and 2 controls are implemented. A document has been produced to ensure all settings within the Trust comply with DfE Digital Standards requirements.

In terms of our objective to ensure reputation levels are maintained, the Trust is working through a self-evaluation exercise using the DfE Trust Quality Descriptors document to assess its position and continues to deliver regional support and training opportunities through its Research School and Great North Early Years Stronger Practice Hub initiatives and events, working constructively with the new NE Combined Authority. Key leaders throughout the Trust engage in local and national education events to promote the work of the Trust.

AUDITORS

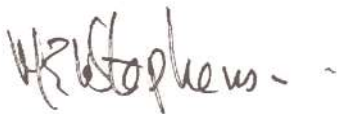
RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to Disclosure of Information to Auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 18/12/24 and signed on the Board's behalf by:



M E W Stephenson
Chair of Trustees

Scope of Responsibility

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

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

The Board of Trustees has delegated the day to day responsibility to the Chief Executive Officer, 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 WISE Academies and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustee	Meetings Attended	Out of a Possible
M E W Stephenson (Chair of Trustees)	6	7
Z E Carr O.B.E. (Accounting Officer)	6	7
J G Wood C.B.E.	7	7
R Symonds	6	7
N Vokes	6	7
P Smith	5	7
C Collins	6	7
D Pearson	4	7
R Ward	3	7

During the year it was agreed that the Board of Trustees should be expanded from nine Trustees to eleven Trustees and this took effect from September 2024 when two additional Trustees, L Hall and E Grimes, were appointed to these positions.

A range of key performance data (financial and academic performance related) is monitored and analysed by the Board of Trustees through the provision of data supplied for meetings throughout the year, with data being challenged as necessary. There has been additional scrutiny of performance data by the Regional Boards during the course of the year. During 2023/24 the Board of Trustees and other levels of governance have continued to focus heavily upon pupil attendance data which is an area of increasing importance across the education sector. There has also been ongoing scrutiny around the use of suspension or exclusion from schools.

The Trustees have a clear focus on a culture of continuous improvement and the structure includes key roles within the Trust to deliver this vision including Regional Educational Directors and curriculum support roles. This is in addition to education specialists such as early years support and the activities of the Associate Research School. These professionals provide support to academies and additional capacity within the Trust to be deployed to areas where there is greatest need within the

Trust. The structure of the Trust allows greater opportunity for sharing and dissemination of practice across academies, including moderation and benchmarking.

Other central functions that support academies within the Trust include specialist HR, Finance, Governance, Health & Safety, Estates Management, ICT and Safeguarding and Attendance Support. Trustees have agreed to nominate a 'Link Trustee' for each of the three established hub areas. Under this arrangement the Link Trustee would have a greater understanding of the academies within each hub area and would be in a position to represent the Board of Trustees alongside local / regional governance representatives at any discussions with Ofsted and to talk authoritatively about the academies in that area. This model has proved effective in earlier Ofsted inspections where those responsible for governance at each tier contributed to the conversation with inspectors.

The rigorous approach to ensuring all aspects of safeguarding compliance continued to be very high profile throughout the governance structure. This was reflected in the comprehensive policies and procedures approved by Trustees. The role of Trustees, Audit Committee and the named Trustee with responsibility for safeguarding were set out in the Strategic Safeguarding Plan. At individual academy level the responsibilities of Senior Leadership, academy staff and Local Governing Body were outlined in the plan.

Trustees continue to keep under review the membership and constitution of Local Governing Bodies and Regional Boards. LGBs are strengthened wherever possible to ensure that governance is fit for purpose in securing school improvement where necessary.

At every level of governance close attention is paid to ensuring that there is the right balance of skills, experience, independence and knowledge in order to maximise performance. Trustees are well informed of latest educational developments and their responsibilities around regularity and compliance. The processes that help underpin the board's effectiveness include the provision of the necessary information to the board (and also local and regional governance) around Trust performance.

WISE Academies has a well-established multi-tier governance structure (Members, Board of Trustees, Regional Boards and Local Governing Bodies) in order to provide the scrutiny necessary for the size and geographical spread of the Trust and which streamlines accountability which more accurately reflects the executive structure of the MAT. A fourth Regional Board will be constituted during the next academic year to reflect the further geographical expansion of the Trust from September 2024.

The governance functions across the structure are set out in a Scheme of Delegation which is available on the Trust website and which is reviewed at least annually.

The committee structure is used to improve decisions in key areas and for maintaining robust compliance around financial and Trust management. The Board keep under review the effectiveness of committees and how they interact with the main Board of Trustees.

The Members hold the Board of Trustees accountable for how they have discharged their duties during the course of the year.

The **Finance and General Purposes Committee** is a committee of the main board of trustees. Its purpose includes the initial review and authorisation of the annual budget; approving financial statements for filing in accordance with Companies Act and Charity Commission requirements; ensuring compliance with the Funding Agreement and all relevant financial regulations are observed;

to oversee capital investment programmes; the regular monitoring of actual expenditure and income against budget; authorising the purchases of goods and services of value in excess of limits specified within the Trust's financial procedures which is not provided for within the budgets of the individual academies or which exceeds the thresholds determined for spending decisions being taken by the CEO; authorising the disposal of assets with a value of greater than the sums specified in the Trust's financial procedures; set and monitor remuneration levels for members of staff within the Head Office function and other senior staff in accordance with schemes of delegation.

Attendance at meetings of the Finance and General Purposes Committee in the year was as follows:

Trustee	Meetings Attended	Out of a Possible
J G Wood C.B.E.	6	6
M E W Stephenson	6	6
D Pearson	6	6
Z E Carr O.B.E. (in attendance)	6	6

The **Audit Committee** is a committee of the main board of trustees. Its primary purpose is to advise the Academy Trust on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money). This year, the Audit Committee adopted an additional role in scrutinising safeguarding reports produced by the external safeguarding service provider.

Attendance at meetings of the Audit Committee in the year was as follows:

Trustee	Meetings Attended	Out of a Possible
R Symonds	4	4
N Vokes	2	4
P Smith	4	4
R Ward	4	4
Z E Carr O.B.E. (in attendance)	3	4

Governance Reviews

A governance review previously formed part of the internal audit scrutiny during 2022. This was carried out by an audit firm, independent to the Trust. The findings were favourable with any minor recommendations for improvement having all been acted upon. As part of our Internal Assurance strategy, the next review of governance has been planned in for 2025-26.

The review undertaken analysed the impact and the effectiveness of the Board of Trustees, Trust Executive Leaders and Local Governance. The review included:

- Key governance documentation;
- Website compliance review;
- Register of Interests;
- Policies;
- New Trustees/Governors Induction;
- Self-Evaluation of Financial Competencies;
- Related Party Transactions;
- Year End Procedures;

- Gifts and Hospitality;
- Compliance and Governance;
- Handbook Requirements (Top 10 Checks);
- Roles and Responsibilities;
- Main Financial Requirements; and
- Delegated authorities.

Review of Value for Money

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

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Trust has delivered improved value for money during the year by continuing to embed good procurement practice throughout the organisation which include our requirement of obtaining three written quotations for the supply of goods and services that exceed £2,000 to ensure value for money is maximised across the Trust. The net effect of this regulation across our schools results in goods and services being procured with savings of 11% when comparing Purchase Order values to the value of the highest quotations received.

Wherever possible, the Trust engages with DfE approved frameworks to support individual procurement exercises for key Trust-wide contracts. During the year, an exercise was run through the Crescent Purchasing Consortium to test market rates for the provision of staff absence insurance and staff wellbeing services which resulted in an award that represented a 29% saving when compared to the next competitive quotation.

WISE Academies receives an annual allocation capital funding, Schools Condition Allocations (SCA) to help maintain and improve the condition of the Trust estate. The Trust prioritises key buildings and site upgrades through a strategic Estates plan to identify projects that ensure school buildings and grounds remain in a safe working condition. Our procurement policy is applied to ensure buildings works secure value for money and during the reporting year, of the key projects awarded, the following apply:

- 21 central estates improvement projects were awarded ranging between £2,580 (Emergency Lighting upgrade) to £107,255 (Roof Refurbishment works).
- All projects were subject to a quotation / tender evaluation exercise where a minimum of three competitive quotations or tender bids were obtained.
- 17 of the 21 projects were awarded to the lowest competitive bidder; the total cost of these awards was £436k and represented savings of 17% when compared to the next best price.
- 4 projects were not awarded to the lowest bidder, but were evaluated as being the most efficient price when other factors were considered, e.g., quality; lead times, etc. The total additional cost of this added value element was £9k across the projects with a total cost of £33k.

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

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

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and continued to appoint Azet's to provide internal assurance reviews during the period.

The internal auditor reports to the Board, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. The audit committee agreed an annual internal audit programme that considered areas of risk to be reviewed during 2023/24, in particular, the audits completed in the current period included:

- a review of cash handling processes and systems throughout the organisation to include site security; cash counts in schools on a sample basis; cash reconciliation mechanism; insurance levels and banking frequency
- a review of VAT to include the determination of VAT treatment of the various income streams and test current VAT position (WISE Academies are not registered for VAT) and walk through monthly VAT claim preparation, controls and process

- a Cyber Security Health Check in alignment with the 'National Cyber Security Centre (NCSC) 10 Steps to Cyber Security' guidance and Academy Trust Handbook requirements to test the design of the controls and highlight gaps where control design could be improved
- confirmation that there were no previous report findings outstanding

The cash handling review resulted in the reporting of one medium risk related to a sampled school being wholly reliant on a cash system, i.e., they have not as yet implemented an online Parent Pay system. Although auditors raised this point, they acknowledged that overall, cash control objectives were being achieved with no major weaknesses. The affected school will consider rolling out an online system in the near future.

The VAT review resulted in two medium risks associated with weaknesses in the monitoring systems of the income stream review to determine the VAT treatment for each type of income stream and the regular review of VAT registration threshold levels. Both issues have been resolved and appropriate monthly review systems have since been implemented. A low level risk was raised around the calculation of non-business/business calculation and subsequent apportionment of input VAT that should not be recovered. The advice from the specialist VAT team has been considered and an updated methodology implemented in the VAT recovery process.

The Cyber Security Health Check resulted in the production of a comprehensive maturity assessment and action plan which considered each of the 10 controls within the NCSC guidance. The assessment included an overview of the review's findings together with recommendations for improvements and enhancements to systems and controls to strengthen the Trust's cyber security resilience. The Action Plan has been implemented with key risks included in our Risk Register; monitoring updates to be reported to the Audit Committee and a commitment to action all level 1 and level 2 control points or mitigation actions.

Review of Effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

Conclusion

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

Approved by order of the members of the Board of Trustees on 18/12/24 and signed on its behalf by:



M E W Stephenson
Chair of Trustees



Z Carr
Accounting Officer

WISE Academies
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Z Carr
Accounting Officer

Date: 18/12/2024

WISE Academies
STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

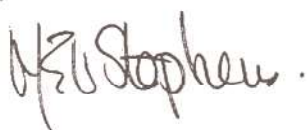
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 8/12/24 and signed on its behalf by:



M E W Stephenson
Chair of Trustees

Opinion

We have audited the financial statements of WISE Academies (the "charitable company") for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. 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 Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 40, the trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, 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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academy Trust Handbook and Academies Accounts Direction. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and revenue recognition of one off grants as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed in relation to management override of controls included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates. Audit procedures performed in relation to revenue recognition of one off grants included but was not limited to obtaining the grant documentation, verifying the point of recognition, and ensuring recognition is in accordance with the charity SORP.

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

Use of our report

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

Lucy Robson

LUCY ROBSON (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD
19 December 2024

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 14 June 2023 and further to the requirements of the Education and Skills Funding Agency ('ESFA') as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, to obtain limited assurance about whether the expenditure disbursed and income received by WISE Academies during the period 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis for conclusion

The framework that has been applied is set out in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

We have complied with the independence and other ethical requirements of the FRC's Ethical Standard and the ethical pronouncements of the ICAEW. We also apply International Standard on Quality Management (UK) 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and accordingly maintain comprehensive systems of continuing quality management. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of WISE Academies' accounting officer and trustees

The accounting officer is responsible, under the requirements of WISE Academies' funding agreement with the Secretary of State for Education dated 1 March 2011 and the Academy Trust Handbook extant from 1 September 2023, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of WISE Academies and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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.

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 the procedures performed vary in nature and timing from, and are less in

extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academy Trust Handbook 2023 published by the Education and Skills Funding Agency and high level financial control areas where we identified a risk of material irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

This report is made solely to WISE Academies and the ESFA in accordance with the terms of our engagement letter dated 14 June 2023. Our work has been undertaken so that we might state to the WISE Academies and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than WISE Academies and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK AUDIT LLP
Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD
19 December 2024

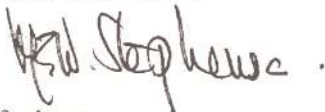
WISE Academies
STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) for the
year ended 31 August 2024

	Note	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total 2024 £000	Total 2023 £000
Income from:						
Donations and capital grants	2	-	72	772	844	979
Transfer of Ashley Academy	2	-	-	-	-	3,017
Charitable Activities:						
Funding for the Academy Trust's educational operations	3	878	26,891	-	27,769	25,860
Other trading activities	4	31	-	-	31	32
Investment income	5	199	-	-	199	72
Total		<u>1,108</u>	<u>26,963</u>	<u>772</u>	<u>28,843</u>	<u>29,960</u>
Expenditure on:						
Raising funds		30	-	-	30	32
Charitable activities:						
Academy Trust's educational operations		740	27,113	1,676	29,529	27,380
Total	6	<u>770</u>	<u>27,113</u>	<u>1,676</u>	<u>29,559</u>	<u>27,412</u>
NET INCOMING / OUTGOING RESOURCES BEFORE TRANSFERS		338	(150)	(904)	(716)	2,548
Gross transfers between funds	18	<u>(209)</u>	<u>(76)</u>	<u>285</u>	<u>-</u>	<u>-</u>
NET INCOME/(EXPENDITURE) FOR THE YEAR		129	(226)	(619)	(716)	2,548
OTHER RECOGNISED GAINS AND LOSSES						
Remeasurement of net defined benefit obligation	27	-	(114)	-	(114)	5,742
NET MOVEMENT IN FUNDS		129	(340)	(619)	(830)	8,290
RECONCILIATION OF FUNDS						
Total funds brought forward		3,334	1,350	36,699	41,383	33,093
TOTAL FUNDS CARRIED FORWARD		<u>3,463</u>	<u>1,010</u>	<u>36,080</u>	<u>40,553</u>	<u>41,383</u>

The notes on pages 50 to 82 form part of these financial statements.

	Notes	2024 £000	2023 £000
Fixed Assets			
Intangible Assets	13	4	6
Tangible Assets	14	<u>35,457</u>	<u>35,107</u>
		35,461	35,113
Investments			
Long term investments		1,000	-
Current Assets			
Debtors	15	1,364	1,204
Cash at bank and in hand		3,597	3,450
Short term investments		<u>3,000</u>	<u>4,000</u>
		7,961	8,654
Current Liabilities			
Creditors: amounts falling due within one year	16	(3,861)	(2,374)
Net Current Assets		<u>4,100</u>	<u>6,280</u>
Total Assets less Current Liabilities		40,561	41,393
Creditors: Amounts falling due after one year			
Salix Loan	17	(8)	(10)
Net Assets excluding Pension Liability		<u>40,553</u>	<u>41,383</u>
Defined Benefit Pension Scheme Liability	27	-	-
Total Net Assets		<u>40,553</u>	<u>41,383</u>
Funds of the Academy Trust:			
Restricted Funds			
Fixed Asset fund	18	36,080	36,699
General fund		1,010	1,350
Pension reserve		-	-
Total Restricted Funds		<u>37,090</u>	<u>38,049</u>
Unrestricted Income Funds			
General Fund	18	<u>3,463</u>	<u>3,334</u>
Total Funds		<u>40,553</u>	<u>41,383</u>

The financial statements on pages 50 to 82 were approved by the board of trustees and authorised for issue on 18 December 2024 and are signed on their behalf by:



M E W Stephenson
Chairperson

The notes on pages 50 to 82 form part of these financial statements

WISE Academies
STATEMENT OF CASH FLOWS

For the year ended 31 August 2024

	Notes	2024 £000	2023 £000
Cash flows from operating activities			
Net cash provided by operating activities	22	1,263	716
Cash flows from investing activities	23	(2,114)	301
Cash flows from financing activities		<u>(2)</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		<u>(853)</u>	<u>1,017</u>
Cash and cash equivalents at 1 September		<u>7,450</u>	<u>6,433</u>
Cash and cash equivalents at 31 August	25	<u>6,597</u>	<u>7,450</u>

The notes on pages 50 to 82 form part of these financial statements

1 ACCOUNTING POLICIES

General Information

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

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

Basis of Preparation

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

WISE Academies meets the definition of a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS102.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Consolidated financial statements have not been prepared as the subsidiary undertaking is not considered material to the results of the trust.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees have considered current performance, reserves levels, future developments, pupil numbers and the long-term impact of Covid 19 on the Trust as documented within the Strategic Report. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Incoming Resources

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

Grants Receivable

Grant income is 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.

1 ACCOUNTING POLICIES (continued)

The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is credited directly to the Statement of Financial Activities, to the extent of the entitlement of the funds, any abatement in respect of the period is deducted from income and is recognised as a liability.

Capital grants are recognised when there is entitlement and when performance related conditions have been met and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

Donations

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

Other Income

Other income is recognised in the period it is receivable and to the extent the academy trust has provided the goods or service.

Interest Receivable

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

Donated Services and Gifts in Kind

Gifts in kind, being the gift of a fixed asset, are measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies. Donated services are measured on the basis of the value of the gift to the Academy Trust.

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.

1 ACCOUNTING POLICIES (continued)

Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on Raising Funds

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

Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

Intangible fixed assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life as follows:

- Purchased computer software 20% per annum

Tangible fixed assets

Tangible fixed assets costing £1,000 or more are capitalised at cost 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 the related grants require the asset to be held for a specific purpose and continued use they are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

1 ACCOUNTING POLICIES (continued)

- Long leasehold buildings 2% per annum
- Refurbishments to buildings 10% per annum
- Fixtures, fittings and equipment 20% per annum
- ICT Equipment 33% per annum

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Investments

The Investment Policy is reviewed periodically by the Trustees to ensure funds are used in accordance with the law, the Articles of Association, the funding agreement and the principles of the Academies Handbook. The objectives of the policy are:

- to achieve best financial return available whilst ensuring that security of deposits takes precedence over revenue maximisation
- to only invest funds surplus to operational need based on all financial commitments being met without the Trust bank account becoming overdrawn
- manage, control and track financial exposure

Investments are recognised at the value of investments held at the period end, with any known interest accrued.

Liabilities

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

Leased assets

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

Financial Instruments

The Academy Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

1 ACCOUNTING POLICIES (continued)*Financial assets and liabilities*

Financial assets and financial liabilities are recognised when the Academy Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

Short-term Employment Benefits

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the Academy Trust. The cost of any unused holiday entitlement the Academy Trust expects to pay in future periods is recognised in the period the employees' services are rendered.

Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS') which are multi employer defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective benefit method. As stated in Note 27, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers, consequently there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

1 ACCOUNTING POLICIES (continued)

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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 and the effect of the asset ceiling are recognised immediately as other comprehensive income.

Fund accounting

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

Restricted general funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education and Skills Funding Agency/Department for Education.

Restricted fixed assets funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, where the asset acquired or created is held for a specific purpose on a continuing basis.

Critical accounting estimates and areas of judgement

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

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.

1 ACCOUNTING POLICIES (continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 2023 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any difference between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. Determining the existence of a minimum funding requirement for the Local Government Pension Scheme to be included in the asset ceiling in measuring and recognising a surplus in the scheme. This judgement is based on an assessment of the nature of the scheme as a statutory scheme and its inherent implied continuance as well as the operation of the primary and secondary contributions.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total 2024 £000	Total 2023 £000
DfE / ESFA capital grant	-	-	772	772	949
Transfer of Ashley Academy	-	-	-	-	3,017
Other donations	-	72	-	72	30
	<u>-</u>	<u>72</u>	<u>772</u>	844	<u>3,996</u>
2023 total split by fund:					
Restricted general funds	-	(373)	-	(373)	
Restricted fixed asset funds:	-	-	4,369	4,369	
	<u>-</u>	<u>(373)</u>	<u>4,369</u>	<u>3,996</u>	

3. FUNDING FOR CHARITABLE ACTIVITIES

	Unrestricted funds	Restricted funds	Total	Total
	£000	£000	2024 £000	2023 £000
DfE/ESFA REVENUE GRANTS				
General annual grant (GAG)	-	17,128	17,128	16,408
Start Up Grants	-	75	75	-
Other DfE/ESFA grants				
Pupil Premium	-	2,254	2,254	2,201
Teachers' Pay grant	-	286	286	-
Teachers' Pension grant	-	146	146	-
UIFSM	-	345	345	329
PE Sports grant	-	236	236	236
Supplementary grant	-	570	570	746
Catch up premium	-	237	237	238
School-led tutoring	-	99	99	242
Rates Relief	-	86	86	79
Trust Capacity Funding	-	-	-	268
Other income	-	145	145	133
	-	21,607	21,607	20,880
OTHER GOVERNMENT GRANTS				
Local authority grants	-	4,478	4,478	3,814
Special educational projects	-	806	806	-
		5,284	5,284	3,814
OTHER FUNDING				
Catering income	295	-	295	279
Other miscellaneous income	583	-	583	887
	878	-	878	1,166
TOTAL FUNDING	878	26,891	27,769	25,860
2023 total split by fund:	1,166	24,694	25,860	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds	Restricted funds	Total	Total
	£000	£000	2024 £000	2023 £000
Other income	31	-	31	32
	<u>31</u>	<u>-</u>	<u>31</u>	<u>32</u>
2023 total split by fund:	<u>32</u>	<u>-</u>	<u>32</u>	

5. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	Total	Total
	£000	£000	2024 £000	2023 £000
Bank Interest	199	-	199	72
	<u>199</u>	<u>-</u>	<u>199</u>	<u>72</u>
2023 total split by fund:	<u>72</u>	<u>-</u>	<u>72</u>	

6. EXPENDITURE

	Staff Costs	Non Pay Premises Costs	Expenditure Other	Total	Total
	£000	£000	£000	2024 £000	2023 £000
Expenditure on raising funds:					
Direct Costs	30	-	-	30	32
Academy Trust's educational operations:					
Direct costs	19,353	-	1,735	21,088	19,051
Allocated support costs	<u>3,361</u>	<u>1,495</u>	<u>3,585</u>	<u>8,441</u>	<u>8,329</u>
	<u>22,744</u>	<u>1,495</u>	<u>5,320</u>	<u>29,559</u>	<u>27,412</u>
2023 total split by category:	<u>21,061</u>	<u>1,502</u>	<u>4,849</u>	<u>27,412</u>	

Expenditure on raising funds was £30k of which £30k (2023: £32k) was unrestricted and £nil (2023: £nil) was restricted general funds.

Net income/(expenditure) for the period includes:	2024 £000	2023 £000
Operating lease rentals	28	31
Depreciation	1,671	1,701
Amortisation of intangible fixed assets	4	7
Fees payable to RSM UK Audit LLP for :		
- Audit of financial statements	40	37
- Other audit costs	4	4
Net interest on defined benefit pension liability (note 27)	(27)	184

7. CHARITABLE ACTIVITIES

	2024	2023
	£000	£000
Direct costs – educational operations	21,088	19,051
Support costs – educational operations	8,441	8,329
	29,529	27,380
Analysis of support costs – educational operations		
Support staff costs (including FRS102 section 27 pension credit of £87k (2023: £413k charge))	3,361	3,468
Depreciation	1,671	1,701
Amortisation	4	7
Technology costs	83	31
Premises costs	1,495	1,502
Legal costs – conversion	25	-
Legal costs – other	95	78
Other support costs (including FRS102 section 27 pension credit of £27k (2023: £184k charge))	1,647	1,504
Governance costs	60	38
	8,441	8,329

8. GOVERNANCE COSTS

	2024	2023
	£000	£000
Legal and professional fees	7	16
Auditor’s remuneration		
Audit of financial statements (including grant assurance reports)	44	41
Other audit costs	9	17
Release of prior year over-accrual	-	(36)
	60	38

9. STAFF NUMBERS AND COSTS

	2024	2023
	£000	£000
a) STAFF COSTS AND EMPLOYEE BENEFITS		
Staff costs during the period were:		
Wages and salaries	16,452	14,832
Social security costs	1,570	1,382
Pension costs	3,453	3,525
Apprenticeship levy	<u>68</u>	<u>60</u>
	21,543	19,799
Supply staff costs	1,161	1,167
Staff restructuring costs	<u>40</u>	<u>95</u>
	<u>22,744</u>	<u>21,061</u>
Staff restructuring costs comprise:		
Redundancy payments	1	43
Severance payments	<u>39</u>	<u>52</u>
	<u>40</u>	<u>95</u>

b) SEVERANCE PAYMENTS

The academy trust made 6 severance payments in the year, disclosed in the following bands:

	Number
£0 - £25,000	<u>7</u>
	<u>7</u>

c) SPECIAL STAFF SEVERANCE PAYMENTS

There were no non-statutory / non-contractual payments included in staff restructuring costs (2023: £nil).

d) STAFF NUMBERS

The average number of persons (including senior management team) employed by the Academy Trust during the year was as follows:

	2024	2023	2024	2023
	Average Headcount	Average Headcount	Average FTE	Average FTE
Teachers	171	168	157	153
Administration and support	432	416	254	241
Management	60	54	56	50
Total	663	638	467	444

e) HIGHER PAID STAFF

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

	2024	2023
	Number	Number
£60,000 - £70,000	11	11
£70,001 - £80,000	4	4
£80,001 - £90,000	6	2
£90,001 - £100,000	1	4
£100,001 - £110,000	2	-
£120,001 - £130,000	-	1
£140,001 - £150,000	1	-
	25	22

f) KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the Academy Trust was £748,103 (2023: £687,493).

10. CENTRAL SERVICES

The Academy Trust has provided the following central services to its academies during the year:

- Human Resources
- Financial Services
- Educational Support Services
- Health and Safety Services
- Governance Services
- Estates Management

10. CENTRAL SERVICES (continued)

The Trust charges for these services on the basis of a flat percentage of 6.4% on GAG and Early Years funding streams. The actual amounts charged during the year were as follows:

	2024	2023
	£000	£000
Adderlane Academy	35	37
Ashley Academy	131	127
Bexhill Academy	114	109
Croftway Academy	121	112
Hasting Hill Academy	77	72
Haltwhistle Primary Academy	73	71
Malvin's Close Academy	138	124
Morpeth Road Academy	115	116
North View Academy	62	58
Prudhoe West Academy	74	72
Shaftoe Trust Academy	38	36
Town End Academy	76	72
Welbeck Academy	160	143
	<u>1,214</u>	<u>1,149</u>

11. TRUSTEES' REMUNERATION AND EXPENSES

One trustee has been paid remuneration from employment with the Academy Trust. The CEO only receives remuneration in respect of services provided undertaking the role of CEO under her contract of employment. Other trustees did not receive any payments from the Academy Trust in respect of their role as trustees.

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

Z Carr (Chief Executive Officer)

Remuneration £140,602 (2023: £129,306)

Employers' pension contributions £35,883 (2023: £30,620)

During the year ended 31 August 2024, travel and subsistence expenses totalling £949 (2023: £2,040) were reimbursed to 2 trustees (2023: 1).

Related party transactions involving the trustees are set out in note 28.

12. TRUSTEES' AND OFFICERS' INSURANCE

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

13. INTANGIBLE FIXED ASSETS

	Computer Software £000	Total £000
Cost		
At 1 September 2023	77	77
Additions	<u>2</u>	<u>2</u>
At 31 August 2024	<u>79</u>	<u>79</u>
Amortisation		
At 1 September 2023	71	71
Charged in year	<u>4</u>	<u>4</u>
At 31 August 2024	<u>75</u>	<u>75</u>
	<u>4</u>	<u>4</u>
Carrying Amount		
At 31 August 2023	6	6
	<u>4</u>	<u>4</u>
At 31 August 2024	<u>4</u>	<u>4</u>

14. TANGIBLE FIXED ASSETS

	Land and buildings	Furniture and equipment	Computer Hardware	Total
	£000	£000	£000	£000
Cost				
At 1 September 2023	41,983	1,009	1,175	44,167
Additions	1,730	206	92	2,028
Disposals	(116)	(29)	(34)	(179)
At 31 August 2024	<u>43,597</u>	<u>1,186</u>	<u>1,233</u>	<u>46,016</u>
Depreciation				
At 1 September 2023	7,293	745	1,022	9,060
Charged in year	1,434	114	123	1,671
Disposals	(110)	(28)	(34)	(172)
At 31 August 2024	<u>8,617</u>	<u>831</u>	<u>1,111</u>	<u>10,559</u>
Net book value				
At 31 August 2023	<u>34,690</u>	<u>264</u>	<u>153</u>	<u>35,107</u>
At 31 August 2024	<u>34,980</u>	<u>355</u>	<u>122</u>	<u>35,457</u>

Included within land & buildings is £29,426k (2023: £30,103k) relating to leasehold land & buildings.

15. DEBTORS

	2024	2023
	£000	£000
Trade Debtors	63	34
VAT Recoverable	229	164
Other Debtors	-	27
Prepayments and accrued income	1,072	979
	<u>1,364</u>	<u>1,204</u>

16. CREDITORS: Amounts falling due within one year

	2024	2023
	£000	£000
Trade creditors	1,089	101
Other creditors	101	75
Accruals and deferred income	2,671	2,198
	<u>3,861</u>	<u>2,374</u>

Deferred income	2024 £000
Deferred income at 1 September 2023	375
Released from previous years	(277)
Resources deferred in the year	<u>541</u>
Deferred income at 31 August 2024	<u>639</u>

At the balance sheet date, the Academy Trust was holding funds received in advance in respect of the following:

	£000
UIFSM 1st Instalment for 2024-25	201
Early Years' Funding Autumn Term 2024	150
School Fundraising Income	108
TPPG 2024-25	52
Rates Relief 2024-25	50
Early Years Deprivation Fund 2024-25	16
Miscellaneous project funding 2024-25	33
Shaftoe Trust 2024-25 resource	15
2024-25 School trip contributions	<u>14</u>
	<u>639</u>

17. CREDITORS: Amounts falling due in greater than one year

	2024 £000	2023 £000
Salix Loan	<u>8</u>	<u>10</u>
	<u>8</u>	<u>10</u>

18. FUNDS

	At 1 September 2023	Income	Expenditure	Gains, losses and transfers	At 31 August 2024
	£000	£000	£000	£000	£000
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	1,243	17,128	(17,401)	(76)	894
Start Up Grant	-	75	(66)	-	9
Pupil Premium	-	2,254	(2,254)	-	-
Other DfE/ESFA grants	-	2,956	(2,956)	-	-
Other Government Grants	-	4,478	(4,478)	-	-
Other Restricted Reserves	107	72	(72)	-	107
Pension reserve	-	-	114	(114)	-
	<u>1,350</u>	<u>26,963</u>	<u>(27,113)</u>	<u>(190)</u>	<u>1,010</u>
RESTRICTED FIXED ASSET FUNDS					
DfE/ESFA capital grants	5,727	772	(569)	-	5,930
Capital Expenditure from revenue transfers	782	-	(366)	285	701
Capital Expenditure from Start up Grants	15	-	(13)	-	2
Donated Assets	29	-	(29)	-	-
Transfer/sponsored LA funds	12,787	-	(312)	-	12,475
Transfer from existing academy	17,359	-	(387)	-	16,972
	<u>36,699</u>	<u>772</u>	<u>(1,676)</u>	<u>285</u>	<u>36,080</u>
TOTAL RESTRICTED FUNDS	<u>38,049</u>	<u>27,735</u>	<u>(28,789)</u>	<u>95</u>	<u>37,090</u>
UNRESTRICTED FUNDS	<u>3,334</u>	<u>1,108</u>	<u>(770)</u>	<u>(209)</u>	<u>3,463</u>
TOTAL FUNDS	<u>41,383</u>	<u>28,843</u>	<u>(29,559)</u>	<u>(114)</u>	<u>40,553</u>

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

18. FUNDS (continued)

General Annual Grant must be used for the normal running costs of the Trust and the intention is to utilise remaining GAG for continued improvement works to the Trust's estate.

Pupil Premium funding is used for the educational benefit of pupils registered at each academy and funding is targeted according to the specific needs of those pupils at each setting, details of which can be found on our schools' websites.

The pension reserve is the liability arising from the deficit on the Local Government Pension Scheme as detailed in note 27.

Other DfE/ ESFA grants received and spent during the year relate largely to Sports Grant (£236k) and UIFSM (£345k) which have been fully expended in year, supplementary grants to support pay awards and increasing pension costs during 2023/24 (£1,002k) and post Covid recovery and tutoring funding totalling £336k to support additional tutoring and catch up strategies.

Other Government Grants reported above include £4.5m funding from local authorities and relate to the receipt of Early Years funding together with High Needs top up, Special Educational Needs grants and other smaller miscellaneous funding. Our schools operate within the following local authority areas: Sunderland City Council; South Tyneside Council; Newcastle City Council and Northumberland County Council. WISE Academies received £806k funding to deliver two significant DfE supported projects: one run by our Research School to provide Primary Language and Reading support to schools within the Middlesbrough / Hartlepool region (£257k) and the other, Great North Early Years Stronger Practice Hub (£564k). All funding received during the year has been fully allocated to the educational operational expenditure of the Academy Trust.

Other Restricted Funds relate to the transfer of surplus balances in relation to Prudhoe West Academy.

Restricted fixed asset funds are made up of funds received from the DfE/ESFA during the year of £772k in respect of Devolved Formula Capital Grants (£95k), Schools Condition Allocation (£638k) and a DfE grant (£40k) to improve IT infrastructure at Ashley Academy, together with transfers from restricted and unrestricted funds in the year to match against capital expenditure incurred.

Unrestricted income largely relates to various activities generating funds, e.g. income for school meals, wraparound care provisions, contributions towards school trips, insurance receipts and interest earned.

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

A comparative funds note detailing the closing position at 31 August 2023 is listed overleaf:

18. FUNDS (continued)

Prior Year Funds 2022-23	At 1 September 2022	Income	Expenditure	Gains, losses and transfers	At 31 August 2023
	£000	£000	£000	£000	£000
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	858	16,408	(15,885)	(138)	1,243
Start Up Grant	1	-	(1)	-	-
Pupil Premium	-	2,201	(2,201)	-	-
Other DfE/ESFA grants	-	2,271	(2,271)	-	-
Other Government Grants	-	3,814	(3,814)	-	-
Other Restricted Reserves	107	30	(30)	-	107
Pension reserve	(4,742)	(403)	(597)	5,742	-
	<u>(3,776)</u>	<u>24,321</u>	<u>(24,799)</u>	<u>5,604</u>	<u>1,350</u>
RESTRICTED FIXED ASSET FUNDS					
DfE/ESFA capital grants	5,269	949	(491)	-	5,727
Capital Expenditure from GAG	1,000	-	(412)	194	782
Capital Expenditure from Start up and Growth Grants	16	-	(1)	-	15
Donated Assets	94	-	(65)	-	29
Transfer from LA	9,679	3,420	(312)	-	12,787
Transfer from existing academy	17,786	-	(427)	-	17,359
	<u>33,844</u>	<u>4,369</u>	<u>(1,708)</u>	<u>194</u>	<u>36,699</u>
TOTAL RESTRICTED FUNDS	<u>30,068</u>	<u>28,690</u>	<u>(26,507)</u>	<u>5,798</u>	<u>38,049</u>
UNRESTRICTED FUNDS	<u>3,025</u>	<u>1,270</u>	<u>(905)</u>	<u>(56)</u>	<u>3,334</u>
TOTAL FUNDS	<u>33,093</u>	<u>29,960</u>	<u>(27,412)</u>	<u>5,742</u>	<u>41,383</u>

18. FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE	2024 £000	2023 £000
Adderlane Academy	42	56
Ashley Academy	-	-
Bexhill Academy	300	300
Croftway Academy	300	300
Hasting Hill Academy	142	224
Haltwhistle Primary Academy	83	47
Malvin's Close Academy	300	300
Morpeth Road Academy	253	350
North View Academy	300	440
Prudhoe West Academy	169	176
Shaftoe Trust Academy	12	-
Town End Academy	157	250
Welbeck Academy	137	420
Central Trust Funds	2,278	1,821
Total before fixed assets and pension reserve	<u>4,473</u>	<u>4,684</u>
Restricted fixed asset fund	36,080	36,699
Pension reserve	<u>-</u>	<u>-</u>
TOTAL RESERVES	<u>40,553</u>	<u>41,383</u>

Reserves at each academy should aim to be maintained generally around levels equivalent to 10% of total income to a maximum of £300k to support the strategic aims of the Trust. Trustees have discretion to release reserves to support particular improvements in our academies. The above reserves include ring-fenced amounts for the following projects during 2024-25:

- Central Trust reserves have allocated £80k to fund the refurbishment of Ashley Academy's Early Years outdoor learning environment.
- The consolidated 2024-25 budget was balanced at Trust level but included an assumption that three individual schools: Adderlane Academy; Morpeth Road Academy and Town End Academy would post in-year deficits funded by reserves amounting to £138k to support school improvement projects during the next academic year.

A summary of reserve transfers to support the reserves policy is as follows: Central Trust Funds £325k; Ashley Academy £106k; Malvin's Close Academy £(170)k; Bexhill Academy £(26)k; Croftway Academy (£50k) and North View Academy £(185)k.

ANALYSIS OF ACADEMIES BY COST

Expenditure incurred by each academy during the year (excluding FRS102 pension adjustment) was as follows:

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding depreciation and revaluation) £000	Total 2024 £000	Total 2023 £000
Adderlane Academy	485	93	22	97	697	711
Ashley Academy	2,003	107	154	477	2,741	2,604
Bexhill Academy	1,612	262	86	246	2,206	2,094
Croftway Academy	1,721	263	127	265	2,376	2,228
Hasting Hill Academy	1,178	185	73	225	1,661	1,440
Haltwhistle Primary Academy	1,140	204	51	189	1,584	1,486
Malvin's Close Academy	1,872	282	122	335	2,611	2,301
Morpeth Road Academy	1,910	266	93	274	2,543	2,343
North View Academy	1,338	134	82	144	1,698	1,491
Prudhoe West Academy	1,119	187	42	223	1,571	1,519
Shaftoe Trust Academy	524	102	45	111	782	711
Town End Academy	1,128	189	89	227	1,633	1,464
Welbeck Academy	2,534	400	218	388	3,540	3,163
Esh Winning Academy (Start up grant)	2	3	5	15	25	-
St Andrew's Academy (Start up grant)	2	2	4	11	19	-
Thornley Academy (Start up grant)	1	4	2	10	17	-
DfE Projects	274	32	133	361	800	-
Central Services	510	763	5	215	1,493	1,552
WISE Academies	19,353	3,478	1,353	3,813	27,997	25,107

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2024 are represented by:

	Unrestricted Funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£000	£000	£000	£000
Intangible fixed assets	-	-	4	4
Tangible fixed assets	-	-	35,457	35,457
Long term investments	-	1,000	-	1,000
Current assets	3,463	3,879	619	7,961
Current liabilities	-	(3,861)	-	(3,861)
Salix Loan > 1 year	-	(8)	-	(8)
Pension scheme asset	-	-	-	-
TOTAL NET ASSETS AT 31 August 2024	3,463	1,010	36,080	40,553

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£000	£000	£000	£000
Intangible fixed assets	-	-	6	6
Tangible fixed assets	-	-	35,107	35,107
Current assets	3,334	3,734	1,586	8,654
Current liabilities	-	(2,374)	-	(2,374)
Salix Loan > 1 year	-	(10)	-	(10)
Pension scheme liability	-	-	-	-
TOTAL NET ASSETS AT 31 August 2023	3,334	1,350	36,699	41,383

20. CAPITAL COMMITMENTS

	2024	2023
	£000	£000
Contracted for, but not provided in the financial statements	-	-
	<u>-</u>	<u>-</u>

21. COMMITMENTS UNDER OPERATING LEASES**OPERATING LEASES**

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

	2024	2023
	£000	£000
Amounts due within one year	26	29
Amounts due between one and five years	52	52
Amounts due after five years	-	-
	<u>78</u>	<u>81</u>

22. RECONCILIATION OF NET INCOME TO CASH FLOW FROM OPERATING ACTIVITIES

	2024 £000	2023 £000
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	(716)	2,548
Adjusted for:		
Amortisation (note 13)	4	7
Depreciation (note 14)	1,671	1,701
Capital grants from DfE and other capital income	(772)	(979)
Interest receivable (note 5)	(199)	(72)
Loss on Disposal of Fixed Assets (note 14)	7	5
Defined benefit pension scheme cost less contributions payable (note 27)	(87)	413
Defined benefit pension scheme finance (credit) / costs (note 27)	(27)	184
Transfer of assets from LA following conversion of Ashley Academy	-	(3,017)
(Increase) in debtors	(105)	(197)
Increase in creditors	1,487	123
Net cash provided by operating activities	<u>1,263</u>	<u>716</u>

23. CASHFLOWS FROM INVESTING ACTIVITIES

	2024	2023
	£000	£000
Interest received	144	72
Cash outflow from investment	(1,000)	-
Purchase of intangible fixed assets	(2)	-
Purchase of tangible fixed assets	(2,028)	(750)
Capital grants from DfE/ ESFA	772	979
	<u>(2,114)</u>	<u>301</u>
Net cash used in investing activities	(2,114)	301

24. STATEMENT OF NET FUNDS

	2024	2023
	£000	£000
Cash in hand and in bank	3,597	3,450
Short term investments	3,000	4,000
	<u>6,597</u>	<u>7,450</u>
TOTAL	6,597	7,450

25. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2023 £000	Cash flows £000	Transfer of subsidiaries £000	At 31 August 2024 £000
Cash	7,450	(853)	-	6,597
TOTAL	<u>7,450</u>	<u>(853)</u>	<u>-</u>	<u>6,597</u>

26. 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 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.

27. PENSION AND SIMILAR OBLIGATION

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Tyne and Wear Pension Scheme. 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.

The LGPS obligation reflects employees of the Academy Trust who transferred as part of the conversion of a maintained school who were already members of the scheme and new employees who were eligible to and did join the Scheme whose cumulative retirement benefit was transferred to the Academy Trust in the year. The obligation in respect of employees who transferred represents their cumulative service to the date of transfer.

Teachers' Pension SchemeIntroduction

The Teachers' Pensions Scheme ("TPS") is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Regulations 2014. Membership is automatic for 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 contributes, as a percentage of salary – these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pensions 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 are:

27. PENSION AND SIMILAR OBLIGATIONS (continued)

- 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 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 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The pension costs paid to TPS in the year amounted to £2,444k (2023: £2,030k).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Trust has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The Trust is a member of the Tyne and Wear Pension Fund (TWPF). The total contribution made for the year ended 31 August 2024 was £1,471k (2023: £1,406k) of which employer's contributions totalled £1,096k (2023: £1,082k) and employees' contribution totalled £375k (2023: £324k). The agreed rates for future years are 17.4% for employers' contributions and between 5.5 and 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 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.

27. PENSION AND SIMILAR OBLIGATIONS (continued)

Principal actuarial assumptions

	At 31 Aug 2024	At 31 Aug 2023
	%	%
Rate of increase in salaries	4.0	4.1
Rate of increase for pensions in payment/inflation	2.5	2.6
Discount rate for scheme liabilities	4.9	5.0
Inflation assumption (CPI)	2.5	2.6

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

	At August 2024	At August 2023
	Years	Years
Retiring today		
Males	20.8	21.0
Females	24.0	24.1
Retiring in 20 years		
Males	21.7	22.2
Females	25.1	25.5

27. PENSION AND SIMILAR OBLIGATIONS (continued)

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

	Fair value at 31 August 2024 £000	Fair value at 31 August 2023 £000
Equities	12,961	11,721
Property	2,690	2,344
Government bonds	310	296
Corporate bonds	4,812	4,302
Multi Asset Credit	1,164	1,047
Cash	207	387
Other	<u>3,725</u>	<u>2,663</u>
Total market value of assets	<u>25,869</u>	<u>22,760</u>

The actual return / (loss) on scheme assets was £2,071,000 (2023: £397,000).

Amounts recognised in the statement of financial activities

	2024 £000	2023 £000
Current service cost	(1,009)	(1,495)
Net interest credit / (cost)	27	(184)
Past service Cost	<u>-</u>	<u>-</u>
Total operating charge	<u>(982)</u>	<u>(1,679)</u>

27. PENSION AND SIMILAR OBLIGATIONS (continued)

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

	2024	2023
	£000	£000
At 1 September		
On conversion	21,791	24,679
Current service cost	-	-
Interest cost	1,009	1,495
Employee contributions	1,089	1,056
Actuarial gains	375	324
Benefits paid	(230)	(7,187)
Net increase in liabilities from disposals and acquisitions	(433)	(265)
Past service cost	-	1,689
Plan introductions, benefit changes, curtailments and settlements	-	-
	<u> </u>	<u> </u>
At 31 August	<u>23,601</u>	<u>21,791</u>

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

	2024	2023
	£000	£000
At 1 September		
On conversion	22,761	19,937
Interest income	-	-
Return / (loss) on plan assets (excluding net interest on the net defined pension liability)	1,164	872
Employer contributions	907	(475)
Employee contributions	1,096	1,082
Benefits paid	375	324
Net increase in liabilities from disposals and acquisitions	(433)	(265)
	-	1,286
Plan introductions, benefit changes, curtailments and settlements	-	-
	<u> </u>	<u> </u>
At 31 August	<u>25,870</u>	<u>22,761</u>

27. PENSION AND SIMILAR OBLIGATIONS (continued)

	2024 £000
Present value of defined benefit obligations	23,601
Fair value of plan assets	25,870
Net asset	2,269
Restriction to level of asset ceiling	(2,269)
Net asset recognised in the balance sheet	0

The Academy Trust is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgement means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. Until further investigations have been completed by the UK Government's Actuary's Department and/or any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

The value of the Trust's share of net assets has been restricted due to the effect of the asset ceiling being the maximum value of the present of the economic benefits available in the form of the unconditional right to reduced contributions from the plan. A corresponding charge has been made to other comprehensive income in the period.

28. RELATED PARTIES

All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

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

Key management personnel disclosure is included in note 9.