

Company Registration Number: 08130253 (England & Wales)

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Kemp J Stark (resigned 4 September 2024) J Mollison S Wilde W Newton
Trustees	H Mellor, Chair of Trustees D Bidwell L Carter (resigned 25 March 2024) J Cordell (resigned 24 January 2024) C Crede L Farenden C McConnell (resigned 7 December 2023) R Marshall A Pearson (resigned 25 March 2024) S Thrower (resigned 31 August 2024) M Perkins (appointed 26 March 2024) A Deegan (appointed 20 May 2024) J Stewart (appointed 9 July 2024)
Company registered number	08130253
Company name	Knightsfield School
Principal and registered office	Knightsfield Welwyn Garden City Hertfordshire AL8 7LW
Company secretary	L Pope
Senior Leadership team	S Thrower, Headteacher (retired 31 August 2024) D Bidwell, Deputy Headteacher L Farenden, Assistant Headteacher (acting Headteacher from 1 September 2024) L Pope, School Business Manager
Independent auditors	Streets Audit LLP Chartered Accountants Enterprise House 38 Tyndall Court Commerce Road Lynch Wood Cambridgeshire PE2 6LR

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Bankers	Lloyds Bank 49 Howardsgate Welwyn Garden City Hertfordshire AL8 7LW
Solicitors	Winckworth Sherwood LLP Arbor 255 Blackfriars Road London SE1 9AX

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report and a directors' report and strategic report under company law.

The academy trust operates an academy for pupils aged 9 to 18 who have a hearing impairment as their primary special educational need. It serves a catchment area of Hertfordshire, surrounding counties and London Boroughs. It has a pupil capacity of 66 and had a roll of 75 in the school census on October 2024.

Structure, governance and management

a. 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 Knightsfield Academy Trust are also the directors of the charitable company for the purposes of the company law. The charitable company operates as Knightsfield School.

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

b. Members' liability

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

c. Trustees' indemnities

Subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

d. Method of recruitment and appointment or election of Trustees

The management of the Academy Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- The headteacher
- Up to 2 parent trustees, appointed by the members
- Up to 6 community trustees, appointed by the members
- Up to 1 co-opted trustee, appointed by the trustees
- Up to 2 staff trustees appointed by the members, provided that the maximum number of staff trustees does not exceed one third of the total number of trustees
- Any trustees appointed by the Secretary of State for Education

The term of office for any trustee is 4 years. The headteacher's term of office runs parallel with their term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. It is recommended that new trustees attend induction training within six months of appointment. The school subscribes to the Hertfordshire Association of School Governors and Herts for learning. Trustees access their programme of training. A log is kept of all trustee training and is reviewed on a regular basis at Full Trustee meetings.

All new trustees are given a tour of the academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy.

f. Organisational structure

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the trustees and the executives who are the senior leadership team.

The trustee body has considered its role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives. The full trustee body meets at least four times per academic year.

The reviewing and monitoring of the work of the academy is delegated to two committees which are the Strategy and Pupil Development Committee and the Resources and Audit Committee. The committees meet at least once per term. They each function under the direction of a committee chair who is a trustee appointed at the first full trustee body meeting of each academic year. Terms of reference of these committees are agreed annually at these meetings. The trustee body requires the Resources and Audit committee to undertake the duties of an Audit committee. The clerk to the trustee body coordinates the work of the full trustee body, prepares agendas and papers and reviews matters arising. Committee chairs coordinate the preparation of an agenda, papers and minutes for the committees.

The trustee body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The headteacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments.

The headteacher/acting headteacher assumes the accounting officer role.

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

The Trustee Board has delegated the arrangement for setting the pay and remuneration for executive directors and senior management to the Pay committee whose members comprise Chairs of both committees and the Chair of the Trust. This committee reviews the performance of the executive directors and ensures that succession planning is in line with the plans of the Trust.

This committee also agrees pay rises for all teaching and support staff. All teachers, including the Headteacher/Acting Headteacher and teacher members of the SLT, are paid in accordance to the current School Teachers Pay and Conditions Document. The School Business Manager is paid at a level commensurate with their position and responsibilities in the SLT.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

h. Related parties and other connected charities and organisations

Knightsfield School has a licence to occupy in place with the adjoining secondary school, Monk's Walk, to include our pupils in the following subjects:

- Art at KS3
- Art GCSE, Design & Technology GCSE, Music BTEC, and Drama GCSE at KS4.

The licence to occupy also includes the use of the school hall, drama studio, one science classroom and catering facilities for our pupils and students.

Knightsfield School has an agreement with Oaklands College to provide relevant post 16 courses including L1 Hair and Beauty, Level 1 Electrical, L1 Animal Care, L1 Health and Social Care, L1 Multi-trades, L1 Art (with ESOL), L3 Media and L3 Sport and Exercise Science. All Knightsfield School students who attend Oakland College are supported by Knightsfield School notetaking staff.

Objectives and activities

a. Objects and aims

The principal object and activity of the academy is the operation of Knightsfield School to provide a broad and balanced education for pupils aged 9 to 18 who have deafness as their primary disability. Knightsfield School encourages pupils to develop their ability to communicate by consistent use of their listening and language skills. The trustees have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

In accordance with the articles of association, the academy has adopted a "Scheme of Government" approved by the Secretary of State for Education.

The Scheme of Government specifies, amongst other things, that the Trust is a special school for the deaf and will be at the heart of both the local and wider deaf communities promoting community cohesion and sharing facilities; the basis for admitting students to the Trust, that the curriculum should be broad and balanced; and the basis for charging pupils.

All teachers must have Qualified Teacher Status. Mandatory teacher of the Deaf training is a requirement for all full-time qualified teachers who have completed the 2 year ECT course at Knightsfield School to be started within three years of commencement of employment (where possible). One teacher completed their teacher of the deaf training in 2023/24.

Speech and Language Therapists support pupils on a weekly basis in accordance with their individual EHC requirements. Radio Aid systems are provided to all students, where appropriate, to promote and develop their listening skills to ensure they have optimal access to spoken language.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities (continued)

b. Public benefit

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

The academy is committed to developing partnerships locally, nationally and internationally. The school offers deaf awareness sessions to its neighbouring school and college, and delivers deaf awareness assemblies upon request in the wider community.

The academy has strong links with national services for deaf people such as the NDCS and BATOD, a local charity for deaf children, the Phoenix Group for Deaf Children, as well as local services which work with our pupils and students.

The Knightsfield School community voted to raise funds and sponsor Hearing Dogs for the Deaf in 2023/24.

Strategic report

Achievements and performance

Pupils joining the academy in all years, do not have the same starting points as those in mainstream schools. This can be as a direct result of their deafness or associated issues such as a language development delay. Subsequently, all students complete cognitive tests to provide a baseline target in every subjects for students. These targets are then adjusted accordingly by taking into account the Knightsfield Learning Score (a combination of other tests of vocabulary, resilience, reading etc).

At the end of KS3 98% of students achieved their targets across all subjects and 98% of students achieved their targets in the core subjects (English, maths and science).

At the end of year 11, Knightsfield students have a value-added of 0.11 which means that students achieve marginally more than their CATs related target grade.

Pupil Premium students make the same progress as the whole school population.

a. Key performance indicators

The Ofsted inspection which took place from 5th to 6th November concluded that there was no change to the Ofsted rating of 12th December 2018.

In 2021 the academy applied to the Department of Education to increase the admissions number to 60 due to the successful marketing of the school which has increased recruitment of pupils from other local authorities and London boroughs. In the 2022/2023 academic year there were 68 pupils attending Knightsfield School, and in 2023/2024 there are 63. In the current 2024/25 academic year there are 75 pupils on roll.

The outstanding Ofsted judgement and increased school roll meet two performance indicators set by the Trustee body.

The trustee body has delegated financial management to the Resources and Audit Committee. Actual expenditure is monitored against budget target as a key performance indicator. Financially the values set as key performance targets were achieved as the final out turn for 2023/24 was more favourable than that set as a projected out turn.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy 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.

Financial review

The school's finances have improved in year due to the increased pupils on roll. In addition the school was successful in its bid for CIF funding for two projects to enable boiler & heating distribution works and fire safety & electrical improvements to be completed. Both of these projects commenced in July 2023 and continued throughout the 2023/24 academic year.

Most of the Academy's income is obtained from 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 ESFA during the period ended 31 August 2024 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The other main income source is top-up funding received for each pupil that is paid by the child's home local authority.

The majority of expenditure is spent on staffing to provide specialist teaching required at our special school, (all full-time teachers are required to commence the Teacher of the Deaf qualification within three years of starting at the school), and support staff aide our pupils to achieve their academic and social potentials.

The trust has an In year deficit of £310,101 (2023: surplus £1,268,781), but a large proportion of this related to the change in the LGPS pension deficit and fixed asset depreciation. The trust achieved an operating deficit of £254,231.

The trustees of Knightsfield School recognise the pension deficit of £300,000 (2023: £24,000), and are concerned about the increased material pension liability in the support staff pension scheme, as the likelihood is that employer contributions will have to be increased in future years. This would have a severe impact on the Trust's finances unless the increase is funded by a central government grant.

a. Reserves policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

Reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free').

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review at each board meeting and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £3,611,674 (2023: £3,921,775). This balance includes unrestricted funds (free reserves) of £98,354 (2023: £220,141), which are considered appropriate for the Academy Trust, and restricted funds of £3,813,320 (2023: £3,725,634) and a pension deficit of £300,000 (2023: £24,000).

The Trustee Body have determined that the appropriate level of free reserves should be up to 35% of gross income to ensure the growth and development of Knightsfield School. This will allow the school to contribute to ICT capital investment projects, to reserve funds to pay towards the costs to plan to build a school hall to meet the increasing demand for school places as the current school hall is too small and not fit for purpose given its size and the special needs of our pupils. The reserves will also act as a buffer where there have been exceptional increases in costs, reductions in income, and pupil fluctuations which are of a temporary nature.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension fund deficit totalling to ££300,000 (2023: £24,000). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to the recognition of the deficit.

An unspent balance of £1k 16-19 Bursary is included in the reserves. The school has earmarked these funds to pay for any school transport/lunch/trip applications for students in the 2024/25 academic year should they apply. If the school does not fund this transport, these students will not be able to access the specialist education and support they require, which will severely impact their ability to reach their educational potential.

The reserves policy is reviewed on an annual basis by the Resources and Audit committee, and was approved by the full trustee body on 05.12.2023.

b. Investment policy

Investment policies are determined by the Trust Board. This ensures the level of funds the Trust holds can cover any immediate expenditure, without exposing the Trust to additional risk. Should any potential investment opportunity arise this would be escalated to the Trust Board for consideration.

As at 31 August 2023, no investments were held.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

c. Principal risks and uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The trustees have implemented a number of systems to assess risks that the Academy face, especially in the operational areas (e.g. in relation to teaching, health and safety, audiology equipment and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff, pupils and visitors.

The trustees also are fully aware of their responsibilities to ensure that the trust's estate is safe, well maintained and compliant with the relevant regulations.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme. 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.

Fundraising

The Trust did not engage in any formal fundraising, but it is hoped that a PTA will be re-established in the future.

Plans for future periods

We hope to reapply for charitable status this year to allow us to being to plan the generation of fundraising to allow us to move closer to the possibility of building our school Hall and classroom block. We also plan to review our sixth form provision to align it more with the needs and future hopes of our students.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are 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 31/12/2024 and signed on its behalf by:



Helen Mellor
Chair of Trustees

KNIGHTSFIELD SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Knightsfield School 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 headteacher/acting headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Knightsfield School 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 4 times during the year. The board maintains oversight through regular meetings between the Chair of Trustees and Headteacher, and ongoing communication between SLT and trustees throughout the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
H Mellor, Chair of Trustees	7	7
L Carter	3	4
C Crede	6	7
J Cordell	1	3
A Pearson	4	4
R Marshall	7	7
C McConnell	0	3
S Thrower	5	7
D Bidwell	5	7
L Farenden	7	7
A Deegan	2	2
M Perkins	3	3
J Stewart	2	2

All attending trustees must declare conflicts of interest at the start of each meeting and complete an annual declarations form. The trust maintains a register of all trustees declarations of interests.

The Resource and Audit Committee is also a sub-committee of the main Board of Trustees. It has delegated powers to consider and make decisions in respect of the academy's budgets, financial strategy, policy, supervision & control of financial procedures, accounts, and income & expenditure. In addition, it is responsible for health & safety, premises and all areas of personnel.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Crede (Chair of Resources Committee)	2	2
C McConnell	0	1
S Thrower (Headteacher)	2	2
M.Perkins	1	1
J.Stewart	1	1

Review of value for money

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

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

- Annual Review of the teaching and support structure of the academy
- The use of supply agencies to meet the business needs of the school
- Review of contracts and ICT software licences

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Knightsfield Academy Trust for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from Herts for Learning

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

- Review of premises and controls

On an annual basis, the auditor reports to the Board of Trustees through the Resources & Audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Only one visit was conducted during the 2023-2024 year as the audit completed was a 2 day booking. No material control issues were identified as a result of the work undertaken.

Review of effectiveness

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

- the work of the internal auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

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

Conclusion

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

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GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on **31/12/2024** and signed on their behalf by:



Helen Mellor
Chair of Trustees



Linda Farenden
Acting Accounting Officer

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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Knightsfield School 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 received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023.

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

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



Linda Farenden
Acting Accounting Officer

Date: 3/12/24

KNIGHTSFIELD SCHOOL

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024**

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

Company law requires the 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 of the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 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 31/2/2024 and signed on its behalf by:



Helen Mellor
Chair of Trustees

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KNIGHTSFIELD SCHOOL**

Opinion

We have audited the financial statements of Knightsfield School (the 'academy trust') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 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 Academy Trust's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KNIGHTSFIELD SCHOOL (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The 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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KNIGHTSFIELD SCHOOL (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the company and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including relevant DfE and ESFA guidance, the Companies Act 2006, taxation legislation, employment, environmental and health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KNIGHTSFIELD SCHOOL (CONTINUED)**

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

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

Use of our report

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



Heather McConnell (Senior Statutory Auditor)

for and on behalf of
Streets Audit LLP

Chartered Accountants
Statutory Auditors

Enterprise House

38 Tyndall Court

Commerce Road

Lynch Wood

Cambridgeshire

PE2 6LR

Date: 17 December 2024

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
KNIGHTSFIELD SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated [enter date here] and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Knightsfield School during the year 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Knightsfield School's accounting officer and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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.

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
KNIGHTSFIELD SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Approach

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

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

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

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

The work undertaken to draw our conclusions included:

- Review of the Academy's systems and controls to ensure effective design;
- Confirmation of satisfactory operation of controls during the year, including authorisation of invoices, payments and salary adjustments;
- Review of a sample of expenses focussing on those nominal codes considered to include transactions of a greater risk;
- Review of the reports from internal scrutiny work undertaken during the year;
- Discussions with the finance team.

Conclusion

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



Heather McConnell (Senior Statutory Auditor)
Streets Audit LLP
Chartered Accountants
Statutory Auditors
Enterprise House
38 Tyndall Court
Commerce Road
Lynch Wood
Cambridgeshire
PE2 6LR

Date:

17 December 2024

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:						
Donations and capital grants	3	12,768	-	(45,489)	(32,721)	1,036,903
Other trading activities		38,186	-	-	38,186	11,270
Investments	6	69	-	-	69	65
Charitable activities		11,448	1,699,131	-	1,710,579	1,763,948
Total income		62,471	1,699,131	(45,489)	1,716,113	2,812,186
Expenditure on:						
Charitable activities		2,002	1,971,808	75,404	2,049,214	1,733,405
Total expenditure		2,002	1,971,808	75,404	2,049,214	1,733,405
Net income/(expenditure)		60,469	(272,677)	(120,893)	(333,101)	1,078,781
Transfers between funds	17	(182,256)	-	182,256	-	-
Net movement in funds before other recognised gains/(losses)		(121,787)	(272,677)	61,363	(333,101)	1,078,781
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	23	-	23,000	-	23,000	190,000
Net movement in funds		(121,787)	(249,677)	61,363	(310,101)	1,268,781
Reconciliation of funds:						
Total funds brought forward		220,141	320,702	3,380,932	3,921,775	2,652,994
Net movement in funds		(121,787)	(249,677)	61,363	(310,101)	1,268,781
Total funds carried forward		98,354	71,025	3,442,295	3,611,674	3,921,775

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

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

The notes on pages 28 to 53 form part of these financial statements.

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08130253

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	3,435,004	2,750,914
Investments	14	25	25
		<u>3,435,029</u>	<u>2,750,939</u>
Current assets			
Debtors	15	141,364	833,339
Cash at bank and in hand		560,629	528,044
		<u>701,993</u>	<u>1,361,383</u>
Creditors: amounts falling due within one year	16	(225,348)	(166,547)
Net current assets		<u>476,645</u>	<u>1,194,836</u>
Total assets less current liabilities		<u>3,911,674</u>	<u>3,945,775</u>
Net assets excluding pension liability		<u>3,911,674</u>	<u>3,945,775</u>
Defined benefit pension scheme liability	23	(300,000)	(24,000)
Total net assets		<u><u>3,611,674</u></u>	<u><u>3,921,775</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	3,442,295	3,380,932
Restricted income funds	17	371,025	344,702
		<u>3,813,320</u>	<u>3,725,634</u>
Restricted funds excluding pension asset	17	3,813,320	3,725,634
Pension reserve	17	(300,000)	(24,000)
Total restricted funds	17	<u>3,513,320</u>	<u>3,701,634</u>
Unrestricted income funds	17	<u>98,354</u>	<u>220,141</u>
Total funds		<u><u>3,611,674</u></u>	<u><u>3,921,775</u></u>

KNIGHTSFIELD SCHOOL

(A Company Limited by Guarantee)
REGISTERED NUMBER: 08130253

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 23 to 53 were approved by the Trustees, and authorised for issue on 3rd December 2024 and are signed on their behalf, by:

3/12/24



Helen Mellor
Chair of Trustees

The notes on pages 28 to 53 form part of these financial statements.

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	792,010	(45,337)
Cash flows from investing activities	20	(759,425)	(57,126)
Change in cash and cash equivalents in the year		32,585	(102,463)
Cash and cash equivalents at the beginning of the year		528,044	630,507
Cash and cash equivalents at the end of the year	21, 22	<u>560,629</u>	<u>528,044</u>

The notes on pages 28 to 53 form part of these financial statements

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

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

1.4 Expenditure

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

1.5 Interest receivable

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

1.6 Taxation

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

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

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.7 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Leasehold Land and Buildings	-	2% straight line
Fixtures, Fittings & Equipment	-	10% straight line
Computer equipment	-	20% straight line
Motor vehicles	-	33% straight line
Audiology Equipment	-	20% straight line

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.

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.9 Debtors

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

1.10 Cash at bank and in hand

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

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

1. Accounting policies (continued)

1.11 Liabilities

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

1.12 Operating leases

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

1.13 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy 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 are recognised immediately in other recognised gains and losses.

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. Accounting policies (continued)

1.14 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability or asset depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension balance. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at Thursday, March 31, 2022 has been used by the actuary in valuing the pensions balance at Saturday, August 31, 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension balance.

KNIGHTSFIELD SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

3. Income from donations and capital grants

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	12,768	-	-	12,768	2,967
Capital Grants	-	-	(45,489)	(45,489)	1,033,936
	<u>12,768</u>	<u>-</u>	<u>(45,489)</u>	<u>(32,721)</u>	<u>1,036,903</u>
Total 2023	<u>2,967</u>	<u>1,033,936</u>	<u>-</u>	<u>1,036,903</u>	

KNIGHTSFIELD SCHOOL
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4. Funding for the Academy Trust's charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Educational Activities				
DfE/ESFA grants				
General Annual Grant (GAG)	-	552,168	552,168	550,000
Other DfE/ESFA grants	-	19,005	19,005	17,290
Pupil Premium	-	38,077	38,077	1,000
Others	-	-	-	-
	-	609,250	609,250	568,290
Other Government grants				
Pupil Premium and Top Ups	-	863,364	863,364	882,339
SEN & SLT	-	136,281	136,281	188,687
Pension and Pay Grants	-	90,236	90,236	90,236
	-	1,089,881	1,089,881	1,161,262
Other income from the academy trust's educational operations				
Trip Income	11,448	-	11,448	-
Other DfE/ESFA COVID-19 funding	-	-	-	34,396
	11,448	-	11,448	34,396
	11,448	1,699,131	1,710,579	1,763,948
	11,448	1,699,131	1,710,579	1,763,948
	-	1,763,948	1,763,948	
Total 2023				

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5. Income from other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Other Income	38,186	38,186	2,552
Trip Income	-	-	8,718
	<u>38,186</u>	<u>38,186</u>	<u>11,270</u>
<i>Total 2023</i>	<u>11,270</u>	<u>11,270</u>	

Trip Income for 2024 is included in note 4 per the Academies Accounts Direction.

6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank Interest	69	69	65
	<u>69</u>	<u>69</u>	<u>65</u>
<i>Total 2023</i>	<u>65</u>	<u>65</u>	

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FOR THE YEAR ENDED 31 AUGUST 2024**

7. Expenditure

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	Total 2023 £
Educational Activities:					
Direct costs	1,141,488	-	193,553	1,335,041	1,179,348
Allocated support costs	510,227	126,750	75,194	712,171	554,057
	<u>1,651,715</u>	<u>126,750</u>	<u>268,747</u>	<u>2,047,212</u>	<u>1,733,405</u>
<i>Total 2023</i>	<u>1,308,990</u>	<u>167,935</u>	<u>256,480</u>	<u>1,733,405</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Educational Activities	<u>1,335,041</u>	<u>712,171</u>	<u>2,047,212</u>	<u>1,733,405</u>
<i>Total 2023</i>	<u>1,179,348</u>	<u>554,057</u>	<u>1,733,405</u>	

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FOR THE YEAR ENDED 31 AUGUST 2024

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational Activities 2024 £	Total funds 2024 £	Total funds 2023 £
Staff Costs	1,141,488	1,141,488	1,025,044
Educational Supplies	10,233	10,233	9,232
Examination Fees	3,330	3,330	4,582
Educational Consultancy	73,324	73,324	70,917
Other Direct Cost	68,219	68,219	52,305
Teaching Supply Cost	29,225	29,225	-
Staff Development	9,222	9,222	17,268
	<u>1,335,041</u>	<u>1,335,041</u>	<u>1,179,348</u>
<i>Total 2023</i>	<u>1,179,348</u>	<u>1,179,348</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Activities 2024 £	Total funds 2024 £	Total funds 2023 £
Pension Finance Costs	9,000	9,000	8,000
Staff costs	510,227	510,227	283,946
Depreciation	75,404	75,404	79,187
Cleaning	6,167	6,167	7,778
Rent, Rates & Other Occupancy Cost	24,308	24,308	40,291
Other Support Cost	11,149	11,149	27,270
Maintenance Of Premises & Equipment	5,079	5,079	3,051
Energy Cost	33,656	33,656	36,154
Security & Transport	6,449	6,449	7,230
Legal & Professional	21,151	21,151	38,333
Insurance	6,444	6,444	10,209
Governance Costs	3,137	3,137	12,608
	<u>712,171</u>	<u>712,171</u>	<u>554,057</u>
	<u>554,057</u>	<u>554,057</u>	
Total 2023			

As per above the staff cost were a total of £510,227 which include LGPS adjustment of £299,000 (2023: £24,000).

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024 £	2023 £
Operating lease rentals	2,700	1,035
Depreciation of tangible fixed assets	75,404	79,187
Fees paid to auditors for:		
- audit	8,500	6,500
- other services	1,500	4,500

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

10. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024 £	2023 £
Wages and salaries	1,002,398	953,030
Social security costs	92,778	80,668
Pension costs	527,314	216,012
	<u>1,622,490</u>	<u>1,249,710</u>
Teaching Supply Costs	29,225	43,280
Non cash pension cost	-	16,000
	<u>1,651,715</u>	<u>1,308,990</u>

b. Staff numbers

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

	2024 No.	2023 No.
Teacher	12	13
Administration and support	21	22
Management	4	4
	<u>37</u>	<u>39</u>

c. Higher paid staff

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

	2024 No.	2023 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	1	1

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

10. Staff (continued)

c. Higher paid staff (continued)

d. 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 key management personnel benefits (including employer pension contributions and employer national Insurance contributions) received by key management personnel for their services to the Academy Trust was £402,452 (2023 - £358,810).

11. Trustees' remuneration and expenses

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

		2024	2023
		£	£
S Thrower	Remuneration	95,000 -	90,000 -
		100,000	95,000
	Pension contributions paid	25,000 -	20,000 -
D Bidwell		30,000	25,000
	Remuneration	70,000 -	65,000 -
		75,000	70,000
L Farenden	Pension contributions paid	15,000 -	15,000 -
		20,000	20,000
	Remuneration	60,000 -	50,000 -
		65,000	55,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023 - £NIL).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has opted into the Department of 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 cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

	Leasehold Land & Buildings £	Audiology Equipment £	AUC* £	Computer Equipment £	Furniture, Fittings and Equipment £	Motor vehicles £	Total £
Cost or valuation							
At 1 September 2023	2,908,165	68,893	210,427	123,381	182,275	8,250	3,501,391
Additions	684,378	12,095	-	14,045	48,976	-	759,494
Transfers between classes	210,427	-	(210,427)	-	-	-	-
At 31 August 2024	<u>3,802,970</u>	<u>80,988</u>	<u>-</u>	<u>137,426</u>	<u>231,251</u>	<u>8,250</u>	<u>4,260,885</u>
Depreciation							
At 1 September 2023	509,939	44,457	-	109,019	78,812	8,250	750,477
Charge for the year	48,083	8,511	-	6,316	12,494	-	75,404
At 31 August 2024	<u>558,022</u>	<u>52,968</u>	<u>-</u>	<u>115,335</u>	<u>91,306</u>	<u>8,250</u>	<u>825,881</u>
Net book value							
At 31 August 2024	<u>3,244,948</u>	<u>28,020</u>	<u>-</u>	<u>22,091</u>	<u>139,945</u>	<u>-</u>	<u>3,435,004</u>
At 31 August 2023	<u>2,398,226</u>	<u>24,436</u>	<u>210,427</u>	<u>14,362</u>	<u>103,463</u>	<u>-</u>	<u>2,750,914</u>

*AUC - Asset under Construction

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14. Fixed asset investments

	Trade investments £
Cost or valuation	
At 31 August 2024	<u>25</u>
Net book value	
At 31 August 2024	<u>25</u>
At 31 August 2023	<u>25</u>

15. Debtors

	2024 £	2023 £
Due within one year	113	-
Trade debtors	31,186	50,202
Other debtors	110,065	783,137
Prepayments and accrued income	<u>141,364</u>	<u>833,339</u>

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16. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	8,611	-
Other taxation and social security	21,840	45,008
Other creditors	27,226	1,424
Accruals and deferred income	167,671	120,115
	<u>225,348</u>	<u>166,547</u>
	2024 £	2023 £
Deferred income at 1 September 2023	-	8,589
Resources deferred during the year	38,413	-
Amounts released from previous periods	-	(8,589)
	<u>38,413</u>	<u>-</u>

At the balance sheet date the academy trust was holding funds of £35,789 for pension and pay grants for the period after 31 August 2024 and a total of £2,624 for school trips paid in advance.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

17. Statement of funds

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
General Funds - all funds	220,141	62,471	(2,002)	(182,256)	-	98,354
Restricted general funds						
General Annual Grant (GAG)	344,702	552,168	(525,845)	-	-	371,025
Pupil Premium	-	19,005	(19,005)	-	-	-
Other DfE/ESFA Grants	-	38,077	(38,077)	-	-	-
Local Authority Grants	-	1,089,881	(1,089,881)	-	-	-
Pension reserve	(24,000)	-	(299,000)	-	23,000	(300,000)
	320,702	1,699,131	(1,971,808)	-	23,000	71,025
Restricted fixed asset funds						
DfE Group Capital Grants	2,750,914	-	(75,404)	759,494	-	3,435,004
Devolved Formula Capital (DFC)	-	7,291	-	-	-	7,291
Corporate Improvement Fund (CIF)	630,018	(52,780)	-	(577,238)	-	-
	3,380,932	(45,489)	(75,404)	182,256	-	3,442,295
Total Restricted funds	3,701,634	1,653,642	(2,047,212)	182,256	23,000	3,513,320
Total funds	3,921,775	1,716,113	(2,049,214)	-	23,000	3,611,674

KNIGHTSFIELD SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

17. Statement of funds (continued)

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

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by the depreciation charges.

The negative income in CIF fund is an over accrued income of £53k from year ended 2023.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academies. However in the current year the CIF had a negative income due to the over accrual in the prior financial year.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds consist of the school fund balances transferred into the trust on conversion and income and expenditure in the school funds from those date until period end.

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

KNIGHTSFIELD SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

17. Statement of funds (continued)

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

	<i>Balance at 1 September 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2023 £</i>
Unrestricted funds						
General Fund	209,538	14,302	(3,699)	-	-	220,141
Restricted general funds						
General Annual Grant (GAG)	311,445	550,000	(412,571)	(104,172)	-	344,702
Pupil Premium	-	17,290	(17,290)	-	-	-
Other DfE/ESFA Grants	-	1,000	(1,000)	-	-	-
Local Authority Grants	-	1,161,262	(1,161,262)	-	-	-
Other DfE/ESFA COVID19 Funding	-	34,396	(34,396)	-	-	-
Pension Reserve	(190,000)	-	(24,000)	-	190,000	(24,000)
	121,445	1,763,948	(1,650,519)	(104,172)	190,000	320,702
Restricted fixed asset funds						
DfE Group Capital Grants	2,322,011	1,033,936	(79,187)	104,172	-	3,380,932
Total Restricted funds	2,443,456	2,797,884	(1,729,706)	-	190,000	3,701,634
Total funds	2,652,994	2,812,186	(1,733,405)	-	190,000	3,921,775

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	(7,291)	-	3,442,295	3,435,004
Trade investments	25	-	-	25
Current assets	630,968	71,025	-	701,993
Creditors due within one year	(225,348)	-	-	(225,348)
Provisions for liabilities and charges	(300,000)	-	-	(300,000)
Total	98,354	71,025	3,442,295	3,611,674

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	2,750,914	2,750,914
Trade investments	-	-	25	25
Current assets	220,141	511,249	629,993	1,361,383
Creditors due within one year	-	(166,547)	-	(166,547)
Provisions for liabilities and charges	-	(24,000)	-	(24,000)
Total	220,141	320,702	3,380,932	3,921,775

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

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

	2024 £	2023 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	(333,101)	1,078,781
Adjustments for:		
Depreciation of tangible fixed assets	75,404	79,187
Capital grants from DfE and other capital income	-	(489,936)
Interest receivable	(69)	(65)
Defined benefit pension scheme cost less contributions payable	290,000	16,000
Defined benefit pension scheme finance cost	9,000	8,000
Decrease/(increase) in debtors	691,975	(782,881)
Increase in creditors	58,801	45,577
Net cash provided by/(used in) operating activities	792,010	(45,337)

20. Cash flows from investing activities

	2024 £	2023 £
Dividends, interest and rents from investments	69	65
Purchase of tangible fixed assets	(759,494)	(547,127)
Capital grants from DfE Group	-	489,936
Net cash used in investing activities	(759,425)	(57,126)

21. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand and at bank	560,629	528,044
Total cash and cash equivalents	560,629	528,044

KNIGHTSFIELD SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

22. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	528,044	32,585	560,629
	<u>528,044</u>	<u>32,585</u>	<u>560,629</u>

23. Pension commitments

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

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

Contributions amounting to £27,226 were payable to the schemes at 31 August 2024 (2023 - £16,726) and are included within creditors.

Teachers' Pension Scheme

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

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

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

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

The employer's pension costs paid to TPS in the year amounted to £73,359 (2023 - £138,550).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £98,000 (2023 - £99,000), of which employer's contributions totalled £77,000 (2023 - £78,000) and employees' contributions totalled £21,000 (2023 - £21,000). The agreed contribution rates for future years are 21.65 per cent for employers and 5.5 to 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](https://www.gov.uk).

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

Principal actuarial assumptions

Hertfordshire County Council Pension Fund

	2024	2023
	%	%
Rate of increase in salaries	2.65	3.45
Rate of increase for pensions in payment/inflation	3.15	2.95
Discount rate for scheme liabilities	5.00	5.20

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

	2024 Years	2023 Years
<i>Retiring today</i>		
Males	19.9	20.0
Females	24.7	24.7
<i>Retiring in 20 years</i>		
Males	20.4	20.5
Females	25.5	25.6

Sensitivity analysis

	2024 £000	2023 £000
Discount rate +0.1%	30	-
Mortality assumption - 1 year increase	57	-
Pension increase +0.1%	31	-

Share of scheme assets

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

	At 31 August 2024 £	At 31 August 2023 £
Equities	656,000	488,000
Debt Instrument	305,000	229,000
Corporate bonds	136,000	134,000
Property	34,000	106,000
Total market value of assets	1,131,000	957,000

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

23. Pension commitments (continued)

The actual return on scheme assets was £90,000 (2023 - £-26,000).

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

	2024 £	2023 £
Current service cost	(66,000)	(94,000)
Interest income	52,000	39,000
Interest cost	(61,000)	(47,000)
Total amount recognised in the Statement of Financial Activities	(75,000)	(102,000)

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

	2024 £	2023 £
At 1 September	970,000	1,053,000
Current service cost	388,000	115,000
Interest cost	61,000	47,000
Employee contributions	21,000	21,000
Actuarial losses/(gains)	15,000	(255,000)
Benefits paid	(14,000)	(11,000)
At 31 August	1,441,000	970,000

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

	2024 £	2023 £
At 1 September	925,000	863,000
Interest income	52,000	39,000
Actuarial gains/(losses)	38,000	(65,000)
Employer contributions	77,000	78,000
Employee contributions	21,000	21,000
Benefits paid	(14,000)	(11,000)
At 31 August	1,099,000	925,000

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NOTES TO THE FINANCIAL STATEMENTS
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24. Long-term commitments, including operating leases

a. Operating leases

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

	2024 £	2023 £
Amounts due within one year	12,286	1,035
Amounts due between one and five years	44,005	2,759
	<u>56,291</u>	<u>3,794</u>

25. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while 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.

26. Related party transactions

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

The academy has incurred expenses totalling £43,419 during the year from Herts for Learning whose the academy held interest in. As at the balance sheet date the amount owed to Herts for Learning is £nil.

27. Agency arrangements

The academy distributes 16-19 bursary funds to students as an agent of the ESFA. In the accounting period ending 31 August 2024 the trust received £1,084 (2023: £1,424) and disbursed £1,050 (2023: £nil) from the fund. There is a balance of £1,458 included in other creditors relating to undistributed funds that are repayable to the ESFA.

