

Company Registration Number: 12230116 (England & Wales)

MAKE IT DIFFERENT
(A company limited by guarantee)

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

MAKE IT DIFFERENT
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Leopard H Smith P Sullivan R Hasthorpe C Williams
Trustees	J Bailey, Chair L McLean, Chief Executive (appointed 20 November 2023) W Pattison (resigned 31 December 2023) K Kumar C Fewster S McGhee S Hudson (appointed 28 June 2024) J Heightley (appointed 28 June 2024)
Company registered number	12230116
Company name	Make it Different
Principal and registered office	Hartlepool Free School Hedgehog Lane Hartlepool Teesside TS25 1FF
Company secretary	W Pattison (CFO)
Chief executive officer	Lorna McLean
Senior management team	Lorna McLean, CEO W Pattison, CFO
Independent auditors	Waltons Business Advisers Limited Chartered Accountants Registered Auditors Maritime House Harbour Walk The Marina Hartlepool TS24 0UX
Bankers	Lloyds Bank Plc Market Place Durham DH1 3NL

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

Solicitors Freeths LLP
 10th Floor, Central Square,
 29 Wellington Street
 Leeds
 LS1 4DL

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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 was developed in order to set up a brand new Free School for students with SEMH (social, emotional and mental health) to be based in Hartlepool to serve students from across the Tees Valley, with the majority expected to come from Hartlepool itself.

Hartlepool Free School will formally open on 1st September 2024, and have a capacity of 64 students when full. The school will grow to capacity over a period of 4-5 years and will provide high quality education for students from Primary and Secondary phases covering KS2 to KS5.

The period from incorporation to 31st August 2024 is the pre opening phase in preparation for launch of the new school from 1st September 2024.

Structure, governance and management

● **Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Make It Different are also the directors of the charitable company for the purposes of company law. The charitable company operates as Make It Different.

The Trust was formed as a Multi Academy Trust which has the infrastructure to govern a family of schools. At present the Trust has responsibility for one school, Hartlepool Free School and intends to grow over the coming years, developing a small family of schools, specialising in supporting children with SEMH conditions.

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.

● **Members' liability**

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

● **Trustees' indemnities**

The Academy Trust has purchased a risk management arrangement to protect Trustees from claims arising against negligent acts, errors or omissions occurring whilst on Academy business. This is included in the DFE RPA scheme.

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

Structure, governance and management (continued)

● **Method of recruitment and appointment or election of Trustees**

The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to the CEO or any post held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected. Any Chair or Vice Chair to any Board or Committee shall have a term of office of one year, which will be considered for re-election on an annual basis.

Recruitment of Trustees follows protocols outlined in the Standing Orders approved by the Board. When new Trustees are sought to fill a vacancy, the CEO will meet with a potential new Trustee prior to appointment, and will advise the Board of recommendations. Recruitment exercises will explore channels as the Board thinks fit and in line with the terms of reference for the organisation. Having reached the conclusion of its deliberations regarding any particular vacancy, the CEO will present findings of discussions with potential new appointments to the Trust Board, including in confidence the names of those persons, and shall recommend the preferred nominee(s) for appointment. New appointments will be made in accordance with the Memorandum of Association.

● **Policies and procedures adopted for the induction and training of Trustees**

Training is provided to new Trustees, considering areas of strength and gaps in knowledge, assessed through a skills analysis. Training is delivered both internally via the CEO and CFO, as well as through external experienced training providers including through the Governance Professional Service. All Trustees undertake annual safeguarding training, and any other statutory training essential to their role and allowing them to fulfil their statutory duties.

All new Trustees are given the opportunity to tour the Academy and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role.

● **Organisational structure**

The governance and leadership structure within the Academy Trust is consistent with the requirements by law and recommendations in the Academy Trust Handbook and all other relevant guidance. The Members of the Academy are the guardians of the governance of the Trust. They are responsible for high level monitoring of the Trust and in their general hands off role will only intervene where there are significant concerns about the running of the Academy by Trustees.

The Trust Board is responsible for the general control and management of the administration of the Trust in accordance with the provisions set out in the memorandum and articles of association. They ensure clarity of vision, ethos and strategic direction and hold the executive to account.

In 2024-25, the Board will create a Personnel committee to consider anything relating to employment of staff, and an Audit Committee which will be responsible for advising the Board on all financial and risk related matters.

The Scheme of Delegation is agreed by the Trust Board in order to ensure it is able to discharge its duties across all areas of responsibility. The Scheme of Delegation and supporting terms of reference and standing orders are reviewed at least annually to ensure they remain effective, up to date and relevant. Furthermore, the Trust Board operates a policy management schedule which ensures correct delegation of duties allowing policies and procedures to be updated and considered in the most appropriate way.

The CEO and CFO are responsible for supporting the Academy Trust at an executive level, implementing policies laid down by the Trustees and reporting back to them. The CEO is the accounting officer for the Multi

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

Structure, governance and management (continued)

Academy Trust.

● **Arrangements for setting pay and remuneration of key management personnel**

Pay is determined in line with the Academy's pay policy, ratified to date by the Trust Board, and going forward annually by the Personnel Committee of the Trust Board. The pay policy for teaching and leadership staff complies with Teachers' Pay and Conditions, and nationally agreed pay rates. Support staff pay, including for senior leadership posts, is applied in line with Green Book pay and conditions, and follows NJC rates. The Academy does not pay governors or Trustees.

● **Related parties and other connected charities and organisations**

Make it Different exists to build on the high quality work of Spark of Genius North East, specifically King Edwin School. The CEO is the Head teacher at King Edwin School, and there is one Trustee who works for Spark of Genius. There are no transactions between the two entities, and no financial benefits or otherwise.

There are no related parties or other connected charities or organisations linked with Make It Different.

All details are stated in the Financial Statements.

Objectives and activities

● **Objects and aims**

The principal object and activity of the charitable company is the operation of Hartlepool Free School, which will provide first rate education for students with Social, Emotional and Mental Health (SEMH) conditions.

The school will be open to students across the Tees Valley, but it is anticipated that the majority of students will live in Hartlepool. The area has an extremely high index of deprivation: in 2015 Hartlepool was ranked the 17th most deprived out of 149 top tier local authorities in England. In 2019 this position had worsened to 10th most deprived (Hartlepool SEND Self Evaluation Dec 2022). The estimated level of child poverty is 39.4%.

The school will be located at Golden Flatts, and features within the Hartlepool Master Plan for this area. It is in an area developed for outdoor nature-based leisure such as a park and landscaped walks, ideal for the school's strong focus on outdoor activity, nature, animal care and horticulture, and external Wi-fi for use with portable teaching technology.

The grounds will be used by approved and relevant community groups out of school hours, to encourage the use of the school as a community hub and open up possibilities for the school students.

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

Objectives and activities (continued)

● **Objectives, strategies and activities**

Make It Different exists to build on the high-quality work of Spark of Genius North-East, specifically King Edwin School. The Trust has been established, initially to operate the new Hartlepool SEMH Free School (HFS). The school will operate within the guiding values of;

- Kindness
- A Growth Mindset
- Resilience
- Personal Responsibility

Parental confidence and trust

Building trust with families is important and helps children to feel secure in their learning. We will work hard with all parents and carers to ensure we build a team around each young person together.

Emotional resilience and well-being

We will help our students understand and process their emotions effectively and teach them how to do this themselves. We will also help our students learn how to deal with the challenges they will come across in learning and in life.

Personal progress and achievement

It is our aim that every child will leave the school with a qualification in english and mathematics, with other qualifications chosen to suit each student and their needs and next steps.

Preparing for adulthood

We will work hard to make sure our students are well prepared for their next steps, and that they are well informed about their options. We will provide meaningful work experience, in school apprenticeships and internships, employer visits and contact, and lots of opportunity to explore the whole range of post 16 options to our students starting from their first days with us.

Children have a sense of belonging in the community

We will make sure there are lots of opportunities for our students to get involved in community activity, both in school and out of school. We will encourage involvement in our Duke of Edinburgh programme, and encourage our students to think about others, both people they know and people they do not.

Staff confidence and competence – greater capacity to meet needs

We will support our staff to be well trained, confident, competent and able to think about how to develop their skills further. We will offer good quality staff training and development throughout the year, making sure that staff use new knowledge to develop and improve what they do on a day-to-day basis.

● **Public benefit**

The Academy's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the Academy should undertake.

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

Strategic report

Achievements and performance

This has included the appointment of a part time CEO and CFO from January 2024 who have supported the Trust with a DFE new build programme; creating a strong governance structure; updating Articles of Association; developing policies and procedures to be implemented pre and post opening; preparing and submitting comprehensive short, medium and long term financial plans; securing value for money and engaging with suppliers to procure all necessary contracts and service level agreements to allow the Trust to function pre and post opening; securing a financial management system; securing a management information system; producing risk registers and risk management documentation to assess and manage risks to the Trust; recruiting students through close links with Hartlepool Borough Council; recruiting staff to positions primarily from 1st September 2024; preparing a high quality curriculum across all key stages; securing funding via the local authority and DFE for the post opening stage; undertaking several meetings with the Department for Education including with Education Experts to assess our readiness to open; undertaking an Ofsted readiness to open inspection; opening bank accounts; setting up payroll and pensions for current and future employees; and developing a comprehensive scheme of delegation to ensure Trustees are able to discharge their duties fully and in accordance with the ATH and Articles of Association.

The measures of success and achievement over this period are the successful DFE Education Expert and Ofsted pre opening inspections which recognised the significant work undertaken to ensure the school could open safely to our students from 1st September 2024.

● **Key performance indicators**

Over the period from inception of the company, the critical indicators of performance have been the financial milestones and submissions assessed by the DFE; the two readiness to open meetings with the DFE Education Experts, and the Ofsted pre opening inspection in June 2024. These key milestones were achieved with strong results.

Going forward, KPI's will allow the board to measure the safety and achievements of our students; participation; financial performance; compliance; health and safety; attendance (staff and students); and wellbeing (staff and students).

These will be developed and implemented and will be reported in future years' Trustees' reports.

● **Going concern**

The Trust is a brand new Trust, funded through grants through the pre opening phase. Funding has been secured for year one through close liaison with Hartlepool Borough Council and the DFE, for commissioned places funding; top up funding; exceptional funding; pay/pension/supplementary grant funding; and pupil premium funding. Financial planning has allowed us to carry forward a small surplus into Year one to support cash flow of an opening school. Negotiations with Hartlepool Borough Council have also allowed us to secure a term's funding in advance for top up and grant funding, again supporting cash flow as the school opens.

Financial projections show a strong financial position expected by the end of year one with reserves expected to be at 10% of total income.

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 adopts 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.

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

Strategic report (continued)

Financial review

All of the Trust's income to date was obtained from the Department of education (DFE) via the Education and Skills Funding Agency (ESFA). In the pre opening phase, this has been in the form of a pre opening grant to the value of £220k paid in instalments.

Once the school is open from September 2024, funding will continue from the DFE in the form of commissioned places funding at £10,000 per place; a leadership grant; and a growing school grant; and via Hartlepool Borough Council for top up funding per place, as well as recurrent grants. The use of this funding is restricted to particular purposes.

The grants received from the DFE/ESFA during the year ended 31 August 2024 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also received a grant for ICT related purchases. In accordance with The Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

In addition, the school generated a small amount of income through delivery of training sessions via the CFO to support Local Authority Governor Training programmes.

The Academy was awarded a new build as part of the Free School Project. The majority of items were provided within this by the DFE. The building and associated fixtures and fittings were handed over on 26th July and included in the financial statements at a value of £10.1m. The school land was transferred on a long leasehold from Hartlepool Borough Council at the same date, valued at £1m.

At the reviews with the DFE Education Expert, he advised that it was the DFE's preference that a surplus was carried forward into 2024-25 in order to support the Academy's cash flow. This will be achieved by year end, primarily due to staffing being appointed in January 2024 instead of September 2023.

As well as carrying forward a surplus from the pre opening grant, the Trust has negotiated with HBC to secure at least the first term's worth of top up and grant income in advance. This has helped us to manage the risk of opening a new school with limited funds and the need to ensure salary payments are covered each month alongside other costs. The Trust should have reserves at the end of year one in the region of 10% which put the Trust in a strong position going forward.

Once the school is fully open and operational, it will grow in size which will increase the funding envelope available to the Trust over the coming years.

During the year ended 31 August 2024, total expenditure of £154k (excluding depreciation and the LGPS adjustments) was less than recurrent grant funding from the DFE/ESFA together with other incoming resources. The excess of income over expenditure for the year (before transfers and actuarial gains) was £11.4m which includes the £11.1m handed over for the school land and building.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Trust's objectives.

At 31 August 2024 the net book value of fixed assets was £11.3m and movements in tangible fixed assets are shown in note 14 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

The provisions of FRS102 have been applied in full, resulting in a deficit of £1,000 being recognised on the

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

Strategic report (continued)

balance sheet.

The Academy held fund balances at 31 August 2024 of £11.4m comprising £11.4m of restricted funds and £718 of unrestricted funds.

● **Reserves policy**

The Academy holds restricted and unrestricted funds (the attached financial statements detail these funds). Reserves are held:

- to support potential challenges of working in a new building once inhabited
- to support the Academy's risk management action plan
- to support disaster recovery plan
- to cover urgent purchases / emergencies
- to provide funds which can be designated to specific areas to support priorities in the school
- to cover ongoing costs in relation to the running of the Academy including infrastructure and IT upgrades
- to support emerging priorities across the course of an academic year
- to support families who are in need of financial support
- to support students to access activities on offer throughout the school year
- to increase capacity within the Academy to support other schools in an operational MAT
- to cover late announcements over no more than a one year period for such areas as unfunded pay awards.

In the short term, this is considered sufficient to cover:

- unplanned activities
- emergency repairs/maintenance
- longer term financial planning
- a salary safety net
- a release of staffing capacity to respond to emerging MAT expansion priorities

The Academy's current level of non fixed asset reserves are in surplus by £65k and were ringfenced at an early stage to support the opening of the new school in September 2024. They are deemed adequate at this stage, with a plan to grow them across the first year.

The Academy set a balanced budget in 2024-25 with an outturn planned for around 10%. If achieved, this is deemed an ideal level of reserve at such an early stage in the Trust development.

During the course of 2023-24, despite challenges (mainly external) which applied pressure to the budget, the target has been achieved. The Trustees continue to consider additional activities related to the Academy's objectives to which excess reserves may be achieved by:

- seeking to make savings from non-salary areas wherever possible
- seeking to achieve additional income through use of school staff and facilities
- ensuring that budget planning and curriculum design processes are integrated
- striving to secure value for money in all purchases
- reviewing contracts regularly to demand value for money
- reviewing benchmarking analysis with Trustees to identify any areas of surprise which require additional investigation
- identifying areas for additional scrutiny linking the risk management plan with the internal audit programme

The level of reserves is reviewed by the Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the Academy will be reviewed by the Trustees on an annual basis. This review

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

encompasses the nature of income and expenditure streams, the need to match income with commitments and the levels of uninsurable risk. In 2023-24 the Trustees considered it prudent to hold revenue reserves in the form of liquid reserves (total funds less the amount held in fixed assets and pension funds) of circa £40k of the total budget allocation. This is a high percentage (18%) of total income, however is necessary in order to manage the risk of a newly opening school in year one. In this first year the Trust has exceeded this with £65k in such reserves.

Trustees resolved to continue to strive for a minimum outturn of 10% of the total income allocation at the end of year one. They believe this is a reasonable reserve policy, being mindful that the funding received is to support the education of our students as our core aim. The policy will be reviewed annually as a minimum as the school grows, and in order to adapt should it be necessary.

● **Investment policy**

If free funds were available, the Academy may invest surplus funds through money market accounts. Interest rates would be reviewed prior to each investment. This policy maximises investment return whilst minimising risks to the principal sum. The Academy has not invested funds within the last financial year as the school is so new and cash flow is extremely important as we open and grown. Investment opportunities will be explored at a point when the Trust has enough free reserves to safely invest.

● **Principal risks and uncertainties**

The main risk facing the Trust is the risk of cash flow as a new and opening Academy from September. Cash flow is therefore a critically important factor which means careful and regular monitoring is essential.

Cash flow has been maximised through:

- securing circa £40k carry forward to 2024-25
- negotiation with Hartlepool Borough Council regarding top up rates and pupil admission number
- negotiation with HBC for a termly in advance payment for top up funding and grant funding
- potential via business case for this to be extended to term two
- savings in year one which should result in an outturn circa 10% of total income

This will allow the Trust to open safely, supported by strong funds in the bank, also providing a level of flexibility should emerging unexpected costs arise.

The other primary risk is that of a brand new school, where although careful financial planning has been undertaken in order to estimate key budget areas (e.g.energy / utilities), any fluctuation to these and other costs could significantly change the financial projections. Care was taken in speaking to experts and benchmarking against similar sized new schools, however costs will require very careful monitoring in the early stages in order to adjust budget headings if needed.

As with other schools and academies who follow STPCD and NJC rates of pay for staff, unannounced and late announcements of pay awards continue to be a risk to the Academy. Budgets were set prudently assuming % increases for both, however any increases to awards above assumptions made will impact on the budget.

The Board understands its duties under Good Estates Management, and the need to measure and manage all associated risks. Having a new build significantly reduces this risk as compliance in every area is checked prior to handover, and there is a significant period of "hand holding" with the contractor remaining on site across the first year to support with emerging compliance issues, warranty issues and snagging.

The Trust has secured appropriate monitoring SLA's for key areas (fire and intruder alarms) to support the security of the site.

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

The Academy has fully implemented the requirements of Safer Recruitment procedures and the CEO/CFO are fully trained in this area. A single central record is in place and was assessed during the pre opening Ofsted inspection.

In the first week of term, all staff will receive a full week of training on all key Safeguarding and Child Protection; Team Teach and health and safety areas; as well as a full school induction. All staff are new to the Academy and this first week will be key in building relationships and setting the vision.

The Academy supplements external training provision with its own internal training undertaken by all necessary staff.

The Trust has ensured it has secured support from experts in appropriate fields including GDPR; safeguarding; Health and Safety; catering provision; internal and external auditors; legal advisors; payroll and pension provision; HR advice and support; and NEREO/DBS provision.

Fundraising

As the school is not open, no fundraising activity has taken place from inception to 31st August 2024.

Once the school is open, fundraising activities will be part of the school's activities. Any fundraising will be done at a local level, without the engagement of external consultants or fundraising professionals and will be led by staff, students and families to support local causes. The scope of any such fundraising activities is restricted to within school and to students' close families and friends in order to minimise the risk of any complaints about pressurised practices.

Plans for future periods

The biggest aim of the Trust is to successfully open Hartlepool Free School in September, and fulfil its mission and objectives in year one. Longer term, the Trust aims to grow in size, developing more provision in the region for children with SEMH needs. It is therefore important that our efforts and energy continue to be focused on the free school in the early stages to ensure the students who we welcome from September receive a high quality education and are kept safe.

The Education Brief developed by the CEO is a comprehensive document which details the vision and guiding principles of the Trust and the free school and how these will be achieved, including an overview of the curriculum plan, enrichment opportunities for our children and families, the quality assurance cycle which will be undertaken by senior colleagues, and how the Board will hold leaders to account.

Over the coming 4-5 years the Academy will also grow to capacity of 64, and with this is the need to grow the staff population and make necessary adjustments to policies, risk measures and financial planning as we go forward.

The future growth and success of the Trust will in part be determined by the successes made through Hartlepool Free School over the first few years.

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.

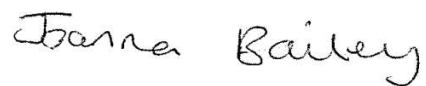
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TRUSTEES' REPORT (CONTINUED)
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Auditors

The auditors, Waltons Business Advisers Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 18 December 2024 and signed on its behalf by:



J Bailey
(Chair of Trustees)

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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Make it Different 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 CEO, 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 Make it Different 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 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
J Bailey, Chair	6	6
L McLean, Chief Executive	6	6
W Pattison	2	2
K Kumar	4	6
C Fewster	4	6
S McGhee	3	6
S Hudson	1	2
J Heightley	2	2

There is distinct separation of roles throughout layers of governance at all levels (Members and Trustees). There is no local governing board.

There are two vacancies remaining for parent Trustees and these will be recruited and appointed once the school is open, from the parent population.

The Trust Board has one committee at present, has operated as a full Board across the year with no committees initially, and is responsible for all areas across the Trust. From 2024-25, the Board will operate with an Audit Committee and Personnel Committee with responsibilities delegated and recorded in the scheme of delegation.

Skills audits have been undertaken on appointment by Trustees in order to identify gaps in knowledge, and areas of strength. Trustees have attended training courses and undertaken training activities throughout the year to strengthen knowledge in key areas (e.g. safeguarding, and cyber security).

Training is provided via appropriate bodies and agencies, as well as internally where expertise exists. The Trust is also supported by an experienced and knowledge Governance Professional from Stockton Council, a service which also provides training for Trustees.

The board is made up of highly experienced professionals, including retired and current executive school leaders; business professionals; and colleagues with local knowledge of children and families from Hartlepool.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (CONTINUED)

Every member of the Trust Board is fully committed to supporting each other, the CEO, CFO and senior leadership team in driving school improvement, expanding the Trust, managing risk, and improving life outcomes for students.

Conflict of Interest

Conflicts of interest are managed through maintaining an up-to-date and complete register of business and pecuniary interests of all Trustees, Members and Senior Executives. These interests are updated on a meeting by meeting basis and are recorded on a register which is visible on the Academy Website. Internal and External audits will monitor all areas of expenditure and assess any potential conflicts.

The Academy avoids any related party transactions as this register is also kept locally and referred to as and when needed. The Academy has no ownership or control of any subsidiaries, joint ventures or associates.

Although the Academy enters into no related party transactions, key personnel are fully aware of the requirements of the ATH and how to request and report on these, including the £2,500 limit over which goods/services must be provided at cost.

Governance Reviews

As a new Trust, the DFE and the Education Experts have scrutinised the makeup of the Trust board including the biographies of individuals. The Chair was also interviewed by the DFE as part of the extended DBS clearance process.

It is the intention of the Trust to undertake regular reviews of governance as the school opens and grows.

Review of value for money

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

The accounting officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the board of 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:

- Appointing an experienced CFO to the Trust to support her in the development of strong systems and policies and to provide accurate financial projections over the short, medium and long term
- Securing low cost high quality support services through consortium arrangements with NEPO, YPO and other experienced organisations
- Securing SLA's and support contracts through well established local authority services, receiving quotations from multiple providers as well as piggy backing existing arrangements in place in other schools and academies
- Negotiating with HBC in relation to maximising income for the benefit of the student cohort
- Developing relationships with experienced support contacts to access benchmarking information to support in the procurement of key contracts (e.g.energy)
- Working closely with the new build contractor and DFE to ensure the building is fit for purpose in the context of an SEMH provision.
- Challenging contractors and suppliers where costs are out of line and securing improvements

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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Make It Different for the period 26th September 2019 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 26th September 2019 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 CEO, CFO and Trustees have developed a system of risk management which going forward will drive the internal audit programme to provide Trustees with the assurance it needs across all key business and finance related areas.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Trust Board, which indicate financial performance
- 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 employ JGT auditors as internal auditor.

The appointment was made after a tendering exercise, ensuring that there is clear separation between the external and internal auditors.

JGT is an independent and highly experienced internal auditor with direct schools and academies experience over decades.

The audit committee from next year will work with the CFO and internal auditor to agree the focus of each internal audit visit, which will be done termly across the year.

The audit committee will commission deep dives into any areas of concern, over and above the regulatory checks which will be undertaken. This will provide Trustees with assurance across all key areas, and those linked to the risk management plan.

The internal audit role includes giving advice on financial and other matters and performing a range of checks on

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (CONTINUED)

the Academy Trust's financial and other systems. There have been no checks undertaken within the review period, with the first audit schedules for the Autumn term 2024.

All statutory audit checks for the review period to 31st August 2024 will be undertaken by the external auditor

Going forward, on a termly basis, the internal auditor reports to the Board of Trustees, through the 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 internal auditor will prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of effectiveness

As accounting officer, the CEO 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 CFO
- scrutiny by the CEO of work undertaken by the CFO
- reports to the board by the CFO
- scrutiny by the DFE and Education Expert of the work submitted to them, including comprehensive financial plans
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors
- correspondence from the DFE in line with the pre opening grant.

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

Conclusion

Based on the advice of the external auditor, CFO 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.

Approved by order of the members of the Board of Trustees on 18 December 2024 and signed on their behalf by:



J Bailey
Chair of Trustees



Lorna McLean
Accounting Officer

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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Make it Different, I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

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



Lorna McLean

Accounting Officer

Date: **18.12.2024**

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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 and signed on its behalf by:



J Bailey
(Chair of Trustees)
Date: 18 December 2024

MAKE IT DIFFERENT
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MAKE
IT DIFFERENT**

Unqualified Opinion

We have audited the financial statements of Make it Different (the 'Academy') 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'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 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'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.

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MAKE IT DIFFERENT (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 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.

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MAKE IT DIFFERENT (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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'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 or to cease operations, or have no realistic alternative but to do so.

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:

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

- Obtained an understanding of the nature of the sector, including the legal and regularity framework that the Trust operates in and how they are complying with the legal and regularity framework
- Inquired of management and those charged with governance about their own identification and assessment of the risks of irregularities including any known, actual, suspected or alleged instances of fraud,
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements might be susceptible to fraud.

As a result of these procedures we considered the most significant laws and regulations which have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), ESFA accounting requirements (including the requirements of the Academy Trust Handbook and the Academies Accounts Direction), Companies Act 2006 and the Academies's governing document. We performed audit procedures to detect non-compliance which may have a material impact on the financial statements which included reviewing the financial statements including the director's report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MAKE IT DIFFERENT (CONTINUED)

Audit procedures performed included, but were not limited to:

- testing manual journal entries and other adjustments
- evaluating the business rationale in relation to significant or unusual transactions and transactions entered into outside the normal course of business
- challenging judgments and estimates
- reviewing income transactions around the year end to look for potential “window dressing”.

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.

Other matters

The financial statements for the year ended 31 August 2023 were unaudited, as the Trust was dormant and therefore dormant accounts were prepared and submitted.

Use of our report

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



H O'Driscoll (senior statutory auditor)

for and on behalf of

Waltons Business Advisers Limited

Chartered Accountants

Registered Auditors

Maritime House

Harbour Walk

The Marina

Hartlepool

TS24 0UX

18 December 2024

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MAKE IT
DIFFERENT AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 30 July 2023 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 Make it Different 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 Make it Different and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Make it Different 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 Make it Different and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Make it Different's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Make it Different's funding agreement with the Secretary of State for Education dated 14 May 2024 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.

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MAKE IT
DIFFERENT 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's income and expenditure.

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Trust's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the Trust and specific transactions identified from our review.

This work included:

- Review minutes of meetings of Trustees
- Review payroll for evidence of authorisation and review any extra contractual payments
- Review a sample of purchases and expense claims
- Review lines of delegation and limits set
- Review register of interests
- Review related party transactions
- Review other income to ensure in line with funding agreement
- Review risk register and business continuity plans

Conclusion

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



Reporting Accountant
Waltons Business Advisers Limited
Chartered Accountants
Registered Auditors

Date: 18 December 2024

MAKE IT DIFFERENT
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**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	4	16	-	11,327,839	11,327,855	-
Other trading activities		700	-	-	700	-
Bank interest		2	-	-	2	-
Charitable activities	5	-	220,000	-	220,000	-
TOTAL INCOME		718	220,000	11,327,839	11,548,557	-
EXPENDITURE ON:						
Charitable activities	7	-	154,113	-	154,113	-
TOTAL EXPENDITURE		-	154,113	-	154,113	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		718	65,887	11,327,839	11,394,444	-
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	23	-	(1,000)	-	(1,000)	-
NET MOVEMENT IN FUNDS		718	64,887	11,327,839	11,393,444	-
RECONCILIATION OF FUNDS:						
Net movement in funds		718	64,887	11,327,839	11,393,444	-
TOTAL FUNDS CARRIED FORWARD		718	64,887	11,327,839	11,393,444	-

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

The notes on pages 28 to 46 form part of these financial statements.

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REGISTERED NUMBER: 12230116

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	14	11,327,839	-
		<u>11,327,839</u>	<u>-</u>
CURRENT ASSETS			
Debtors	15	157,616	-
Cash at bank and in hand		77,791	-
		<u>235,407</u>	<u>-</u>
Creditors: amounts falling due within one year	16	(168,802)	-
		<u>66,605</u>	<u>-</u>
NET CURRENT ASSETS		66,605	-
TOTAL ASSETS LESS CURRENT LIABILITIES		11,394,444	-
Defined benefit pension scheme liability	23	(1,000)	-
TOTAL NET ASSETS		11,393,444	-
FUNDS OF THE ACADEMY			
RESTRICTED FUNDS:			
Fixed asset funds	17	11,327,839	-
Restricted income funds	17	65,887	-
		<u>11,393,726</u>	<u>-</u>
Restricted funds excluding pension asset	17	11,393,726	-
Pension reserve	17	(1,000)	-
		<u>11,392,726</u>	<u>-</u>
TOTAL RESTRICTED FUNDS	17	11,392,726	-
UNRESTRICTED INCOME FUNDS	17	718	-
		<u>11,393,444</u>	<u>-</u>
TOTAL FUNDS		11,393,444	-

The financial statements on pages 25 to 46 were approved by the Trustees, and authorised for issue on 18 December 2024 and are signed on their behalf, by:

JOANNA BAILEY

Joanna Bailey

The notes on pages 28 to 46 form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	19	77,791	-
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		77,791	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	21, 22	<u>77,791</u>	<u>-</u>

The notes on pages 28 to 46 form part of these financial statements

MAKE IT DIFFERENT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

1. GENERAL INFORMATION

Make It Different is a charitable company limited by guarantee and registered in England and Wales.

The registered office address is:

Hartlepool Free School,
Hedgehog Lane,
Hartlepool
TS25 1FF

2. ACCOUNTING POLICIES

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

2.1 Basis of preparation of financial statements

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

2.2 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 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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

2. ACCOUNTING POLICIES (CONTINUED)

2.3 Income

All incoming resources are recognised when the Academy 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.

The Academy Trust is benefiting from the ESFA's Free School Building Programme. The School Building and associated fixtures and fittings were handed over to the Trust on the 25 July and have been recognised as a capital grant and fixed asset at that point.

• **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.

2.4 Expenditure

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

• **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 apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

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

2. ACCOUNTING POLICIES (CONTINUED)

2.5 Taxation

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

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

2.6 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 straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Freehold property	- 125 years
Long-term leasehold land	- 125 year
Furniture and equipment	- 5 - 10 years

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

2.7 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.

2.8 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.

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

2. ACCOUNTING POLICIES (CONTINUED)

2.9 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.

2.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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

2. ACCOUNTING POLICIES (CONTINUED)

2.11 Pensions

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

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

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

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

2.12 Fund accounting

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

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NOTES TO THE FINANCIAL STATEMENTS
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3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

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

Critical areas of judgment:

The school buildings were completed as part of the Free School project and were handed over from the DFE to Make it Different on the 25th July 2024.

The DFE have confirmed that the that the build cost for the scheme was £10.1m and this included £241k for fixtures, fittings and equipment.

This build cost provided has been used as the basis to value the donation and therefore the assets.

In the opinion of the Trustees the school premises would be difficult to value due to the specialised nature and therefore the use of cost to represent fair value is the most appropriate valuation method. The assets will be written off over their estimated useful life from the 1 September 2024, being the date on which they entered use.

At the same date the associated land was transferred from Hartlepool Borough Council on a 125 year lease. This land has been valued by Hartlepool Borough Council in accordance with the provisions of the RICS Valuation - Professional Standards 2022 edition.

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**NOTES TO THE FINANCIAL STATEMENTS
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4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Donations	16	11,168,000	11,168,016	-
Capital Grants	-	159,839	159,839	-
	<u>16</u>	<u>11,327,839</u>	<u>11,327,855</u>	<u>-</u>

5. FUNDING FOR THE ACADEMY'S CHARITABLE ACTIVITIES

	Restricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
DFE/ESFA grants			
Other DFE/ESFA grants			
Start up grant	220,000	220,000	-
	<u>220,000</u>	<u>220,000</u>	<u>-</u>

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Other trading income	700	700	-
	<u>700</u>	<u>700</u>	<u>-</u>

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

7. EXPENDITURE

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	<i>Total 2023 £</i>
Educational operations:					
Direct costs	-	-	3,510	3,510	-
Allocated support costs	99,400	3,378	47,825	150,603	-
	<u>99,400</u>	<u>3,378</u>	<u>51,335</u>	<u>154,113</u>	<u>-</u>

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Educational operations	<u>3,510</u>	<u>150,603</u>	<u>154,113</u>	<u>-</u>

ANALYSIS OF DIRECT COSTS

	Total funds 2024 £	<i>Total funds 2023 £</i>
Other staff costs	3,036	-
Educational supplies	214	-
Other	260	-
	<u>3,510</u>	<u>-</u>

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

ANALYSIS OF SUPPORT COSTS

	Total funds 2024 £	<i>Total funds 2023 £</i>
Staff costs	99,400	-
Other staff costs	222	-
Technology costs	4,837	-
Other	1,426	-
Legal & professional fees	32,292	-
Maintenance of premises	40	-
Other premises costs	368	-
Governance costs	8,500	-
Energy	2,970	-
Catering	548	-
	<u>150,603</u>	<u>-</u>

9. NET INCOME

Net income for the year includes:

	2024 £	<i>2023 £</i>
Fees paid to auditors for:		
- audit	7,250	-
- other services	1,250	-
	<u>8,500</u>	<u>-</u>

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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	73,694	-
Social security costs	7,430	-
Pension costs	18,276	-
	99,400	-

b. Staff numbers

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

	2024	2023
	No.	No.
Administration and support	1	-
Management	3	-
	4	-

c. Higher paid staff

No employee received remuneration amounting to more than £60,000 in either year.

d. Key management personnel

The key management personnel of the Academy 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 was £28,813 (2023 - £ Nil).

11. CENTRAL SERVICES

No central services were provided by the Academy to its academies during the year and no central charges arose.

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

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. 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:

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

13. TRUSTEES' AND OFFICERS' INSURANCE

The 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 provides 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.

14. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold land £	Furniture and equipment £	Total £
Cost or valuation				
Additions	9,859,000	1,068,000	400,839	11,327,839
At 31 August 2024	<u>9,859,000</u>	<u>1,068,000</u>	<u>400,839</u>	<u>11,327,839</u>
Net book value				
At 31 August 2024	<u>9,859,000</u>	<u>1,068,000</u>	<u>400,839</u>	<u>11,327,839</u>
At 31 August 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

15. DEBTORS

	2024 £	2023 £
Due within one year		
Other debtors	2,065	-
Prepayments and accrued income	155,551	-
	<u>157,616</u>	<u>-</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Accruals and deferred income	168,802	-
	<u>168,802</u>	<u>-</u>

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

17. STATEMENT OF FUNDS

	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds				
General Funds	718	-	-	718
Restricted general funds				
Start up grant	220,000	(154,113)	-	65,887
Pension reserve	-	-	(1,000)	(1,000)
	<u>220,000</u>	<u>(154,113)</u>	<u>(1,000)</u>	<u>64,887</u>
Restricted fixed asset funds				
DFE group capital grants	10,259,839	-	-	10,259,839
Capital transferred on start up	1,068,000	-	-	1,068,000
	<u>11,327,839</u>	<u>-</u>	<u>-</u>	<u>11,327,839</u>
Total Restricted funds	<u>11,547,839</u>	<u>(154,113)</u>	<u>(1,000)</u>	<u>11,392,726</u>
Total funds	<u><u>11,548,557</u></u>	<u><u>(154,113)</u></u>	<u><u>(1,000)</u></u>	<u><u>11,393,444</u></u>

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

The start up grant was supplied to fund the initial costs of opening the Academy.

The DFE group capital grants include the building handed over from the Department for Education on the practical completion of the building as well as subsequent grants towards capital from the Department for Education. The amount carried forward represents assets purchased with this funding at net book value and any funding yet to be spent.

The capital transferred on start up relates to the land which was gifted to the Academy on the date of conversion on a 125 year lease from Hartlepool Borough Council. The council continues to own the freehold.

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

17. STATEMENT OF FUNDS (CONTINUED)

Prior year balances were £NIL and so no comparative information is shown.

Total funds analysis by Academy

Fund balances at 31 August 2024 were allocated as follows:

	2024 £	2023 £
Hartlepool Free School	66,605	-
Restricted fixed asset fund	11,327,839	-
Pension reserve	(1,000)	-
Total	11,393,444	-

Total cost by Academy

Expenditure incurred by each Academy during the year was as follows:

	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2024 £
Hartlepool Free School	99,400	214	54,499	154,113

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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	-	-	11,327,839	11,327,839
Current assets	718	88,718	145,971	235,407
Creditors due within one year	-	(22,831)	(145,971)	(168,802)
Provisions for liabilities and charges	-	(1,000)	-	(1,000)
Total	718	64,887	11,327,839	11,393,444

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

	2024 £	2023 £
Net income for the period (as per statement of financial activities)	11,394,444	-
Adjustments for:		
Capital grants from DFE and other capital income	(11,327,839)	-
Increase in debtors	(157,616)	-
Increase in creditors	168,802	-
Net cash provided by operating activities	77,791	-

20. CASH FLOWS FROM INVESTING ACTIVITIES

	2024 £	2023 £
Purchase of tangible fixed assets	(11,327,839)	-
Capital grants from DFE Group	10,259,839	-
Capital on conversion to Academy Trust	1,068,000	-
Net cash provided by investing activities	-	-

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

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash in hand and at bank	77,791	-
Total cash and cash equivalents	<u>77,791</u>	<u>-</u>

22. ANALYSIS OF CHANGES IN NET DEBT

	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	77,791	77,791
	<u>77,791</u>	<u>77,791</u>

23. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Teesside Pension Fund. 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 £3,728 were payable to the schemes at 31 August 2024 (2023 - £NIL) 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
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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 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

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

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

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

The employer's pension costs paid to TPS in the year amounted to £15,556 (2023 - £Nil).

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 is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Academy 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 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 £4,000 (2023 - £Nil), of which employer's contributions totalled £3,000 (2023 - £Nil) and employees' contributions totalled £1,000 (2023 - £Nil). The agreed contribution rates for future years are 17.5 per cent for employers and 5.5 - 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Academy 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
FOR THE YEAR ENDED 31 AUGUST 2024**

23. PENSION COMMITMENTS (continued)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2024	<i>2023</i>
	%	%
Rate of increase in salaries	3.65	
Rate of increase for pensions in payment/inflation	2.65	
Discount rate for scheme liabilities	5	

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

	2024	<i>2023</i>
	Years	Years
<i>RETIRING TODAY</i>		
Males	20.4	
Females	23.4	
<i>RETIRING IN 20 YEARS</i>		
Males	21.2	
Females	24.9	

SENSITIVITY ANALYSIS

Acadamies are required to report sensitivity analysis in £000. Due to the small relative value of the obligations movements of plus/ minus 0.1% on the assumptions used would not result in a movement of over £1,000.

SHARE OF SCHEME ASSETS

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

	At 31 August 2024	<i>At 31 August 2023</i>
	£	£
Equities	2,840	-
Property	1,040	-
Cash and other liquid assets	120	-
Total market value of assets	4,000	-

The actual return on scheme assets was £296 (2023 - £Nil).

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NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (continued)

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

	2024 £	2023 £
Current service cost	<u>(3,000)</u>	<u>-</u>

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

	2024 £	2023 £
Current service cost	3,000	-
Employee contributions	1,000	-
Actuarial losses/(gains)	1,000	-
At 31 August	<u><u>5,000</u></u>	<u><u>-</u></u>

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

	2024 £	2023 £
Employer contributions	3,000	-
Employee contributions	1,000	-
At 31 August	<u><u>4,000</u></u>	<u><u>-</u></u>

24. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

25. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 12.