

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**CONTENTS**

	Page
<b>Reference and Administrative Details</b>	1 - 2
<b>Trustees' Report</b>	3 - 15
<b>Governance Statement</b>	16 - 22
<b>Statement of Regularity, Propriety and Compliance</b>	23
<b>Statement of Trustees' Responsibilities</b>	24
<b>Independent Auditors' Report on the Financial Statements</b>	25 - 28
<b>Independent Reporting Accountant's Report on Regularity</b>	29 - 30
<b>Statement of Financial Activities Incorporating Income and Expenditure Account</b>	31
<b>Balance Sheet</b>	32
<b>Statement of Cash Flows</b>	33
<b>Notes to the Financial Statements</b>	34 - 59

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Members</b>	A Sherriff (resigned 1 November 2023) A Swanepoel C Gater (resigned 6 December 2023) E Field J Gray N Prior N Coop
<b>Trustees</b>	C Gater C Sear (resigned 29 November 2023) C Emery C Pressland G Turner, Chair of Trustees H Mansfield J Winter J Oglesby L Lloyd-Warren M Free R Noblett (resigned 5 September 2023, appointed 6 December 2023) R Townsend (resigned 28 September 2023) R Bamlett Dr C Ingate (resigned 5 September 2023) J Mitchell (appointed 6 December 2023) J Boyce L Gallagher C Wyatt K Poole (resigned 25 July 2024) S Griffin (appointed 5 September 2023) H Johnson (appointed 23 October 2024)
<b>Company registered number</b>	07791971
<b>Company name</b>	Birchwood High School
<b>Principal and registered office</b>	Parsonage Lane Bishop's Stortford Hertfordshire CM23 5BD
<b>Company secretary</b>	Deryk Bull
<b>Accounting Officer</b>	Sam Griffin
<b>Senior Leadership Team</b>	S Griffin, Principal S Connor, Assistant Principal (resigned 31 December 2023) C Gilbank, Deputy Principal J Jacobsen, Deputy Principal C Ruggins, Assistant Principal R Herbert, Assistant Principal M Delf, Assistant Principal (appointed 1 September 2024) D Bull, Finance Director

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**Independent Auditors** Price Bailey LLP  
Chartered Accountants  
Causeway House  
1 Dane Street  
Bishop Stortford  
CM23 3BT

**Bankers** Lloyds  
31 Fore Street  
Taunton  
Somerset  
TA1 1HN

**Solicitors** Stone King LLP  
16 St. John's Lane  
London  
EC1M 4BS

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

The Trustees present their Annual Report together with the financial statements and Auditors' Report of Birchwood High School (the Trust, the Academy or the Charitable Company) for the period 1 September 2023 to 31 August 2024. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Academy operates a School for pupils aged 11-19 serving the catchment area of Bishop's Stortford and surrounding villages. It has a pupil capacity of 1,500 (including 6th form) and a roll of 1,416 in October 2023.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The Academy is a Company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of the Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is also known as Birchwood High School (the School).

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

### **Member's liability**

Each Member undertakes to contribute to the assets of the Academy 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.

### **Trustee and Officers' Indemnities**

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. During the year insurance was in place with Zurich Insurance PLC & The ESFA RPA scheme and provides indemnity up to £5,000,000 (£10,000,000 under the RPA). The details of the costs are disclosed in note 12 to the accounts.

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

The arrangements are as set out in the Funding Agreement and Articles of Association.

The Trustees are appointed for a fixed term of four years. The Principal may be appointed as a member of the Board of Trustees, appointed by the Members. Parent Trustees are elected to office by parents or appointed if there are insufficient candidates offering themselves for election. Member appointed Trustees are appointed by the Members. The Articles of Association make provision for at least 2 Parent Governors and up to 15 Member appointed Trustees.

The Trustees can appoint co-opted Trustees (co-opted Trustees cannot take part in co-opting other Trustees and employees cannot be co-opted if the total number of Staff Trustees would exceed one third of the total).

### **Policies and Procedures adopted for the induction and training of Trustees**

All Trustees sign the HMRC Fit and Proper Persons Declaration and are expected to adhere to the Committee on Standards in Public Life guidance "The 7 Principles of Public Life" also known as "The Nolan Principles". All Trustees are provided with secure access to all policy documents. It is expected that all new Trustees attend induction training run by Hertfordshire County Council Governance Service within 6 months of appointment.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

All new Trustees are entitled to an induction to the role, according to their need, which may include, introductory sessions, mentoring and formal courses. This process will involve a meeting with the Chair of Trustees and Principal or Deputy Principal. All Trustees are provided with an induction pack plus access to policies and procedures documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

The Academy is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Academy provides an internal programme of continued professional development led by School staff and links with external training providers.

### **Organisation**

The governance of the Academy is defined in the Memorandum and Articles of Association together with the funding agreement with the Department of Education.

The Board of Trustees which meets on at least 6 occasions per year and the individual Committees are responsible for the strategic direction of the Academy. The Estates & Finance Committee meets at least 5 times per year; the Curriculum and Personnel Committees meet at least 5 times per year; the Audit & Risk Committee meets at least 3 times per year and the Pay Committee meets at least once per year. The Board of Trustees reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; and, through the Principal's Performance Management Committee, agrees the performance objectives of the Principal with the School Improvement Partner, and reviews them.

The Principal is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Academy. The Principal has delegated responsibility for low values of expenditure to specific budget holders who are each responsible for managing their own departments within the constraints of their allocated budgets. A system of financial controls (the Schedule of Financial Delegation) is in place to manage this process.

The Principal manages the Academy on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Principal and the Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the Principal to manage certain aspects of the Academy.

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Academy i.e. The Senior Leadership Team included in the Reference and Administrative Details section on page 1.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, Individual School Range (ISR), the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Academy's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the Pay Committee and ratified as required by the Board of Trustees.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

### **Fundraising**

The Academy only held small fundraising events during the year and does not work with professional fundraisers or companies who carry out fundraising on its behalf. The PSFA organisation, a separate entity, undertakes some fundraising activities which raise funds to support the school and promote cohesion in the school community. During the year no complaints or issues have arisen as a result of the fundraising events.

### **Related Parties and Other Connected Charities and Organisations**

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

### **OBJECTIVES AND ACTIVITIES**

#### **Objects and Aims**

The principle objects and aim of the Charitable Company is the operation of the School to provide free education and care for pupils of different abilities between the ages of 11 and 19.

The Board of Trustees continues to set the School's strategic aims through the School Transformation Plan (STP). These aims are monitored closely through the work of the Senior Leadership Team and the Board of Trustees and Committees. The strategic intent of the School is to provide outstanding education and opportunities for all and to be a 'Great School.'

#### **Objectives, Strategies and Activities**

During the year the School has worked towards achieving these aims by:

- ensuring that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all pupils;
- improving the effectiveness of the Academy by keeping the curriculum and organisational structure under continual view;
- providing value for money for the funds expended;
- complying with all appropriate statutory and curriculum requirements;
- maintaining close links with industry and commerce; and
- conducting the Academy's business in accordance with the highest standards of integrity, probity and openness.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

At Birchwood High School we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values by:

- valuing diversity and seeking to give everyone in the School an equal chance to learn, work and live, free from the action, or fear, of racism, discrimination or prejudice;
- working together to develop the potential of all pupils academically, socially, culturally and psychologically and to establish a community that is just and fair for all people who work at or visit the School;
- ensuring that students are happy, safe and healthy, enthused by the intellectual, social and physical challenges posed by their experience at School;
- teaching them to be independent learners who are aware of how to learn and who understand the role of emotions and dispositions in the learning process, and who can draw on these to address challenges and difficulties, as well as success;
- ensuring that all staff have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers enthuse and inspire others to explore new ideas;
- working in partnership with parents to enable them to fulfil their roles as true partners, recognizing their role in the student - school – parent partnership with the aim that every child realises their potential; and
- working closely with our Board of Trustees which contributes to the life of the School on a wider scale and acts as a critical friend to support the School in achieving our aim of providing a high quality, well rounded, education for all students.

Education at Birchwood is open to all young people from 11 to 19 in the Bishop's Stortford locality regardless of race, gender, religion, sexual orientation, social class and ability.

At Birchwood we value our links with the wider community. The School engages in initiatives and activities to promote understanding of our place in the global community as well as supporting links to the local community. In accordance with Object 4b of our Articles of Association the Board of Trustees actively promotes the use of our facilities for the benefit of our local community.

**Public Benefit**

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

**STRATEGIC REPORT**

**Achievements and performance**

The Academy continued its mission to ensure that students achieved their potential in public examinations; to encourage a wide range of extra-curricular activities; to develop and retain suitable staff and to guide students in suitable progression when they leave the School.

**BIRCHWOOD HIGH SCHOOL**  
(A Company Limited by Guarantee)

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

KS4 External Examination Outcomes

Information relating to KS4 external examination results is presented below:

	<b>2022</b>	<b>2023</b>	<b>2024</b>
Number of pupils	231	230	231
Pupils with adjusted scores	3	2	0
School progress score	-0.36	-0.44	-0.08
Confidence interval	-0.56 to -0.16	-0.63 to -0.25	-0.27 to +0.11
National average	-0.05	-0.06	-0.03

	2023-24 Target	2023-24 Actual
Student Attainment GCSE L2 Progress 8 Score	0	-0.08
Attainment 8 Score per pupil DfE	49.46	48.1 Nat 2023 (45.90)
% achieving grade 5 or above in English and maths	55%	49.40% Nat Ave -45.90%
% achieving grade 4 or above in English and maths	68%	68.80% Nat Ave -65.00%

	2022	2023	2024
P8 English	-0.59	-0.59 Nat (-0.07)	-0.34
P8 Mathematics	-0.19	-0.25 Nat (-0.05)	0.14

Work to maintain and further improve achievement and progress is a key strategic priority and will be a focus of the work of the school and the Board during 2024-25.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

The progress of disadvantaged students

	2022	2023	2024
Progress score for disadvantaged pupils	-0.84	-1.2	-0.53
Confidence interval	-1.39 to -0.29	-1.75 to -0.66	-1.05 to -0.02
Number of disadvantaged pupils	26	26	32

DA	2022	2023	2024
%L4 + En + Ma	35%	42%	50%
%L5 + En + Ma	22%	35%	31.30%
%L4 + En	46%	58%	51%
%L4 + Ma	31%	54%	78%

Closing the gap for disadvantaged students is a key objective for Birchwood High School. Work to maintain and improve progress for all students and to close the gap for disadvantaged students will be a strategic focus for 2024/25. Every one of our 29 disadvantaged students went on to their chosen Sixth Form or FE College with all those eligible to study A-Level at Birchwood enrolling into our Sixth Form.

A-Level students achieved 100% 1+ A\*-E grades. The average grade was C+.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

	<b>2022</b>	<b>2023</b>	<b>2024</b>
Number of Pupils	119	114	115
Number of DA	5	4	8
Number of Academic entries	86	89	97
Number of Applied entries	56	49	56
A Level Average as a Grade	C+	C+	C+
A Level Average as a Point Score	33.89	32.17	32.02
Applied Average as a Grade	Dist	Dist	Dist-
Applied Average as a Point Score	35.7	34.34	32.23
<b>DA</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
A Level Average as a Grade	C	D+	C+
A Level Average as a Point Score	30	24.55	34.44
Applied Average as a Grade	Dist	Dist	Dist-
Applied Average as a Point Score	35.5	34	32.86

Attendance is emerging as a significant challenge for the school and understanding the reasons underlying poor attendance and developing and implementing an effective strategy will be a key priority in 2024-25. To reflect this we will reintroduce a formal attendance target of at least national average attendance, with a subsidiary target of reducing the attendance gap for disadvantaged students.

For September 2024, we enrolled 239 Year 7 students. Sixth Form enrolment was significantly higher in September 2024 than in the previous year, with 128 students coming into Year 12, with 112 students currently in Year 13.

During 2023-24 Students were encouraged to participate in a wide range of extra-curricular activities including public performances. Robust safeguarding arrangements were in place and students were offered good pastoral care and careers guidance. There were no 'NEETs' (students not in education, employment or training) at the end of Year 13 with the majority of students successfully proceeding to their chosen next steps. All Year 11 students were able to access sixth form, further education, work or training.

## **Key Performance Indicators**

### **Academic Performance Targets**

The School Development Plan aims to improve student outcomes through effective educational strategies and the efficient use of resources.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

KPI Student Attainment GCSE L2	2024-25 Target
Attainment 8 Score per pupil Dfe	>Nat Ave
% achieving grade 5 or above in English and maths	>Nat Ave 55%
% achieving grade 4 or above in English and maths	>Nat Ave 70%

DA KPI Student Attainment GCSE L2	2024-25 Target
Attainment 8 Score per pupil Dfe	>Nat Ave
% achieving grade 5 or above in English and maths	50%
% achieving grade 4 or above in English and maths	35%

KPI Student Attainment A Level Btec L3	2024-25 Target
A Level Average as a Grade	C
A Level Average as a Point Score	35
Applied Average as a Grade	Distinction
Applied Average as a Point Score	35

DA	2024-25 Target
A Level Average as a Grade	C
A Level Average as a Point Score	35
Applied Average as a Grade	Distinction
Applied Average as a Point Score	35

### Key Financial Performance Indicators

Pupil numbers (on which the Academy's funding is based) – the School's Pupil Admission Number is 240 in each year group for years 7 to 11 giving an expected maximum of 1,200 students in key stages 3 and 4. Funding is provided on a lagged basis, meaning that the Autumn 2023 pupil numbers determine the funding for the 2023-24 academic year. 217 were admitted to year 7 in September 2023. The funded number for 2023-24 was 1,186. The workable maximum number in the 6th form (Key stage 5 or years 12-13) is 300 and the aim is to maintain viability by recruiting a minimum of 200 students in key stage 5. The funded number of 6th form students in 2023-24 was 225.

Staff costs as a percentage of total income – The long term aim is to achieve staffing costs at 80% of total income (excl parental trip income & CIF). In 2023-24 this metric was 76.9% (2022-23 77.2%). The Academy will continue to manage this KPI figure through efficiencies, increasing pupil numbers and natural staff turnover.

Catering and lettings profitability – Catering aims to break even with the income from the sale of meals to students and staff by matching the cost of staff, provisions, catering consumables plus kitchen repairs and maintenance to income generated. At the end of 2022-23 the department made a loss of £110,119. Prices were increased to mitigate this however this was hampered by increased prices for food and drinks coupled with higher transportation costs. The loss for 2023-24 as a result was £64,122.

The lettings activities have been strong, we have utilised School Hire for the collections/booking process with the management of the lettings activities carried out in house. 2023-24 letting income was £208,625 which resulted in a surplus of £69,416 for the year (income of £225,006 with surplus of £69,470 for 2022-23). The lettings activity paid for the replacement of the flooring in the Dance Studio purchased new gym equipment and overhauled the cricket netting and dividers in the sports hall.

The Academy administered the Free School Meal voucher scheme on behalf of Hertfordshire County Council over the various holiday periods, this ensured that families needing support within this category were provided with assistance in a timely and organised manner.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

Final outturn against required budget outturn – the Academy aims to live within its means and balance in-year income and expenditure. The final outturn for 2023-24 showed a deficit in the income and expenditure account of £67,214, excluding the restricted fixed asset fund and pension reserve. During the year, after consideration of the level of reserves available and the need for investment in the School Estate, the Trustees approved a programme of incremental improvements in line with this programme: During the current academic year the school undertook a number of repair and maintenance projects including the replacement of boilers as part of the schools rolling programme. In line with our rolling programme of IT improvements we replaced another IT classroom with new equipment, developed a new E-Sports suite & procured a new filtering and monitoring software solution.

### **Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Further consideration on the Academy's ability to continue as a going concern can be found in Note 1.3.

### **Financial Review**

The principal source of funding for the Academy is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2024 the Academy received £10,507,091 (2023 - £10,129,220) of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Academy spent £10,545,125 (2023 - £10,201,322) on general running costs (excluding depreciation and pension adjustments). The Academy brought forward from 2022-23, £41,786 restricted funds excluding pension liability and £845,743 unrestricted funding. The carry forward for 2023-24 is £nil restricted funding excluding pension liability and £820,315 unrestricted funding.

The Local Government Pension Scheme valuation continues to be in a net asset position and has again been capped at nil, for further details please see note 22. This does not guarantee that contribution rates will reduce and ease the cash flow effect on the Trust.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

A summary of the Academy's funds can be seen below:

	Restricted General Funds	Unrestricted Funds	Fixed Asset Fund	Pension Reserve	Total
Incoming Resources	9,724,892	753,019	29,180	-	10,507,091
Resources Expended	(9,720,187)	(778,447)	-	-	(10,498,634)
LGPS Charge	-	-	-	(341,000)	(341,000)
Depreciation	-	-	(534,687)	-	(534,687)
Employer contributions paid	-	-	-	358,000	358,000
Total Resources Expended	(9,720,187)	(778,447)	(534,687)	17,000	(11,016,321)
Assets Purchased from GAG	(46,491)	-	46,491	-	-
Actuarial Gains	-	-	-	(17,000)	(17,000)
Surplus / (Deficit) for the year	(41,786)	(25,428)	(459,016)	-	(526,230)
Balance at 1 September 2023	41,786	845,743	7,870,575	-	8,758,104
Balance at 31 August 2024	-	820,315	7,411,559	-	8,231,874

### Reserves policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Finance Director. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £820,315. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Academy's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2024 was £820,315.

The cash balance of the Academy remained healthy, ending the year with a non-investment cash balance of £1,385,426. A significant proportion of this will be earmarked for specific projects and requirements. Trustees monitor cash flow on a monthly basis as part of the Management reporting process. During the year the Trustees aimed to ensure that a minimum level of uncommitted reserves of 5% of GAG income was held in order to provide cover for short term cash flow variances.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**Investment policy**

An Investment Policy was last approved by the Board of Trustees in September 2024 (and is next due for review June 2027).

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are managed in such a way as to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

The School utilises a deposit platform to improve potential returns on the cash not immediately required to finance the day to day operational requirements and deposits these funds into a mixture of instant access through to 3 month fixed products and is achieving a blended interest rate of circa 4.7%

**Principal risks and uncertainties**

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks is monitored on behalf of the Trustees at each Audit & Risk Committee meeting. The principal risks facing the Academy are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Academy's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with prime areas of uncertainty being sickness and maternity-related. The impact of high inflation, in particularly for energy costs, pose on ongoing financial risk.

The Trustees assess the other principal risks and uncertainties facing the Academy as follows:

- safeguarding and child protection - Trustees continue to ensure the highest standards are maintained in areas of selection and monitoring of staff, operation of child protection policies and procedures, health & safety & discipline;
- financial - the Academy relies on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms in the medium to longer term;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation and other statutory and best practice obligations etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the Academy is dependent on continuing to attract students in sufficient numbers by maintaining the highest educational standards and quality of all round education. There is a particular risk in the sixth form due to the wider local context. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed. Trustees also seek to ensure that personal development is fully supported and all students are provided with support to thrive;

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

- Data risks including cyber security, GDPR and the implementation of regulations- the Academy has assigned responsibility for DPO at leadership level and continues to monitor and audit compliance. Trustees support the school in ensuring data systems are secure and protected;
- staffing - the success of the Academy is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued wellbeing, development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - Trustees ensure robust financial controls including segregation of duties and regular monitoring reports. Controls are subject to scrutiny through the internal audit program and the annual external audit process. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Academy only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Academy is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring leadership awareness. This has included a review of risk management as part of the internal scrutiny programme.

**Funds held as custodian Trustee on behalf of others**

Birchwood High School employs a School Games Organiser as part of the government SGO initiative. To facilitate her outreach work in the Bishop's Stortford local community 20 primary schools each contribute to the Birchwood Sports Partnership, a working fund to cover the costs of training, resources, coaching, meetings and travel between schools. This restricted fund is held by Birchwood High School on their behalf. These funds are monitored under a discrete cost centre in the Academy's accounts and are reported annually to the partnership members by the School Games Organiser.

**Plans for Future Periods**

The key priorities that the school has identified for 2024-25 and beyond are as follows:

- To build on the improvement in GCSE outcomes, with a particular target to improve progress for higher attaining pupils;
- To implement robust systems to support student attendance with a target of improving attendance to at least national levels and closing the DA gap;
- To prepare for the expected Ofsted inspection;
- To review and update systems for assessment, recording and reporting;
- To develop the pastoral capacity of the school to reflect changes in demand; and
- To ensure effective provision for those students who require Alternative Provision.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**Estate Management**

The school has a rolling site maintenance and improvement plan in place to facilitate effective management of the school estate. Over the last 12 months the school has undertaken a number of smaller projects which have been identified as part of this plan. Replacement boiler in D Block, new "Point of Use" water dispensers in Tech Block & C Block roof repairs.

The school still has not completed the safeguarding fencing project, which was a CIF funded project, due to Right of Way issues on the bridle path across the school sports field and await decision from the District Council before the final stage of the project can be completed and signed off.

There are regular Health & Safety visits undertaken by the Governor leading on this with the Site Manager.

The School is currently considering 2 CIF bids for resubmission in December 24 relating to the replacement of Fire doors across the school together with another for replacing the windows in B Block.

**Provision 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
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Trustees' Report, incorporating a strategic report, was approved by the Board of Trustees, as the company directors, on 10 December 2024 and signed on its behalf by:

**G Turner**  
Chair of Trustees

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT**

**Scope of responsibility**

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance. Following the removal of this guidance, we have reviewed and taken account of the Department for Education's Academy Trust Governance Guide.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Birchwood High School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 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
C Gater	6	6
C Sear	1	1
C Emery	5	6
C Pressland	3	6
G Turner, Chair of Trustees	6	6
H Mansfield	6	6
J Winter	3	6
J Oglesby	4	6
L Lloyd-Warren	3	6
M Free	3	6
R Noblett	3	4
R Townsend	0	1
R Bamlett	4	6
Dr C Ingate	0	0
J Mitchell	3	4
A Byers	0	0
J Boyce	4	6
L Gallagher	4	6
C Wyatt	5	6
K Poole	5	6
S Griffin	4	4
H Johnson	0	0

Dr C Ingate and A Byers resigned before any meetings had taken place and H Johnson was appointed after meetings had taken place, as a result they show as having attended 0 out of a possible 0 meetings.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

**Review of year:**

During the year 3 new Trustees were appointed and there were 5 resignations.

The majority of the meetings held in the year were held in person with online or hybrid meetings being held where appropriate to facilitate attendance.

The Board of Trustees continue to challenge the Senior Leadership team to drive improvement.

The Board's role of supporting challenging & holding to account has continued throughout the year. During the year the Trustees have actively supported the introduction of the new Principal following the retirement of the previous Principal.

The Board and its committees continue to meet regularly. The improvement of educational outcomes was identified as the key priority for the 2023-24 year. This was supported by a focus on teaching and learning and a review of the KS3 curriculum. Trustees also supported the school's work to review the behaviour policy, the PSCH curriculum and extra-curricular offer to continue to ensure strength of support for personal as well as academic outcomes. Safeguarding, inclusion, staff and student wellbeing and value for money continue to be regarded as key foundations for our work.

The Pay Committee reviewed, challenged and approved pay and salary progressions to relevant staff. This Committee ensured that its pay related decisions were underpinned by the principles outlined in the Nolan Report.

Governor monitoring visits have taken place throughout the year with findings reported back to the Board of Trustees or its committees.

**Conflicts of interest:**

The Trust manages conflicts of interest through a robust procurement policy and by maintaining an up-to-date and complete register of interests. Relevant details from this register are shared across the organisation as appropriate. The Trust continues to collect enhanced data in relation to close family members of Members, Trustees and Key Management Personnel.

There were no conflicts of interest identified over the course of the year that require formal notification to the ESFA.

**Governance reviews:**

The Trustees have undertaken an internal skills audit during the Summer term and the results have been analysed with the intention of completing a formal external review of governance in December 2024 in order to consolidate and further strengthen governance at the School.

**Committees**

The Estates & Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the decision making of the Board of Trustees by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the Academy's finances and resources including proper planning, monitoring and probity.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

During the year the following issues were dealt with by the Committee:

- Budget setting and monitoring of performance;
- Introduction of Insignis platform to improve interest rates achieved on reserves held;
- Consolidation of the new payroll system; and
- Review of major procurement initiative including;
  - o Energy – new 2 year fixed contract; and
  - o PC / MS licensing / Filtering & monitoring software.

During the year the key change to the Committee was the appointment of the new Principal.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Wyatt	4	5
C Gater	3	5
R Townsend	0	1
J Oglesby	5	5
G Turner	4	5
C Emery	5	5
S Griffin	3	3

The Audit & Risk Committee is also a sub-committee of the main Board of Trustees. Its purpose is to provide assurances to the Board that risks are being adequately identified and managed to oversee the audit process & compliance with statutory & regulatory requirements.

During the year the following issues were dealt with by the Committee:

- Termly review of the Risk Register;
- Review of Internal scrutiny reports; and
- Re-appointment of External Auditors & revision in Internal Scrutiny providers following the announcement of MHA withdrawing from the Internal Scrutiny market. Juniper Education appointed for the remainder of the 2023-24 Academic year.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Wyatt	2	3
J Oglesby	3	3
J Mansfield	3	3
C Gater	3	3
G Turner	3	3
R Bamlett	2	2
C Emery	3	3
S Griffin	2	3

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

The Curriculum Committee is a sub-committee of the Board of Trustees, its purpose is to support the Board's understanding, review and monitoring of the intent, implementation and impact of the curriculum.

During the year the Committee's work included:

- Analysis of the prior year's outcomes and the school's plans to drive improvement;
- Monitoring progress of key year groups and group's of students, with a particular focus on vulnerable groups;
- Review and monitoring of leaders plans to support improvements to teaching and learning; and
- Review and challenge of the curriculum structure, including changes to the KS3 curriculum and the sixth form offer.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
R Bamlett	3	4
K Poole	2	4
C Sear	1	1
R Noblett	2	2
C Pressland	1	4
J Mitchell	1	2
G Turner	4	4
J Boyce	2	4

The Personnel Committee is a sub-committee of the Board of Trustees, it's purpose is to support the Board's understanding, review and monitoring of the school's staffing, its obligations under employment law and its work to support staff wellbeing.

During the year the Committee's work included:

- Review of external HR support;
- Monitoring of issues arising, including recruitment and absence challenges;
- Review of Early Career Teachers provision; and
- Review and monitoring of controls around record keeping and the Single Central Record.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Mansfield	4	4
L Lloyd-Warren	3	4
M Free	2	4
J Winter	3	4
L Gallagher	4	4
S Griffin	2	2

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

The Student Welfare Committee is a sub-committee of the Board of Trustees. This is a new committee introduced in the summer term which will focus on student safeguarding, attendance, behaviour, equalities and inclusion.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Mansfield	4	4
L Lloyd-Warren	3	4
M Free	2	4
J Winter	3	4
L Gallagher	4	4
S Griffin	2	2

The Steering Committee is a sub-committee of the Board of Trustees that supports the Board of Trustees through planning and review of the school's governance arrangements and priorities.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
G Turner	6	6
C Gater	6	6
J Oglesby	5	6
C Emery	6	6
C Wyatt	5	6
J Mansfield	6	6
R Bamlett	4	5
S Griffin	3	4

**Review of value for money**

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Using Get Help Buying for Schools framework for Energy procurement and non RPA insurance; and
- Undertaking competitive quotation processes for
  - o Catering ovens
  - o PC hardware / Licensing
  - o New uniform suppliers.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Birchwood High School for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

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

**The risk and control framework**

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

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

The Board of Trustees considered that a program of internal scrutiny would be most effectively and impartially delivered through contracting an external provider. Following the original provider's decision to exit this market sector, the Trustees reviewed the position and appointed Juniper Education to carry out the service for the remainder of the year.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework (continued)**

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

- Controls around the Academy's income streams;
- A review of risk management; and
- A review of the Academy's approach to cyber security.

On a termly basis, the Internal Auditor reports to the Board of Trustees through the Audit and Risk 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 prepares a summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of their work.

**Review of effectiveness**

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

- the work of the Internal Auditor;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external Auditors;
- correspondence from ESFA.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit & Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

**Conclusion**

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

Approved by the Board of Trustees on 10 December 2024 and signed on their behalf by:

**G Turner**  
Chair of Trustees

**S Griffin**  
Accounting Officer

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Birchwood High School I have considered my responsibility to notify the 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 in place 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 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.

**S Griffin**  
Accounting Officer

Date: 10 December 2024

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**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; and
- 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 the Board of Trustees on 10 December 2024 and signed on its behalf by:

**G Turner**  
Chair of Trustees

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**Opinion**

We have audited the financial statements of Birchwood High School (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.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**Other information**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the Directors of the Academy 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.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**Auditors' responsibilities for the audit of the financial statements**

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

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

We gained an understanding of the legal and regulatory framework applicable to the Academy and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations. This included those regulations directly related to the financial statements, including financial reporting and tax legislation and academy sector regulations including GDPR, employment law, health and safety and safeguarding.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of any large or unusual transactions to determine whether they were significant to our assessment.
- We reviewed key controls, authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee meetings and other relevant sub-committees of the Board and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the Accounting Officer and senior management team to identify laws and regulations applicable to the Academy. We assessed details of any breaches where applicable in order to assess the impact upon the Academy.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**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.

**Tom Meeks FCCA (Senior Statutory Auditor)**

for and on behalf of

**Price Bailey LLP**

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street

Bishop Stortford

CM23 3BT

11 December 2024

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

In accordance with the terms of our engagement letter dated 25 May 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 Birchwood High School during the year 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Birchwood High School's Accounting Officer and the Reporting Accountant**

The Accounting Officer is responsible, under the requirements of Birchwood High School's funding agreement with the Secretary of State for Education dated 1 November 2011 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.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance;
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Academy complies with the framework of authorities;
- Evaluation of the general control environment of the Academy, extending the procedures required for financial statements to include regularity, propriety and compliance;
- Discussions with and representations from the Accounting Officer and other key management personnel; and
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

**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  
**Price Bailey LLP**

Date: 11 December 2024

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>						
Donations and capital grants	3	6,830	268,230	29,180	304,240	406,334
Other trading activities	5	274,878	-	-	274,878	285,632
Investments	6	34,356	-	-	34,356	6,790
Charitable activities	4	436,955	9,456,662	-	9,893,617	9,430,464
<b>Total income</b>		<u>753,019</u>	<u>9,724,892</u>	<u>29,180</u>	<u>10,507,091</u>	<u>10,129,220</u>
<b>Expenditure on:</b>						
Charitable activities	7	778,447	9,703,187	534,687	11,016,321	10,888,465
<b>Total expenditure</b>		<u>778,447</u>	<u>9,703,187</u>	<u>534,687</u>	<u>11,016,321</u>	<u>10,888,465</u>
<b>Net (expenditure) / income</b>		(25,428)	21,705	(505,507)	(509,230)	(759,245)
Transfers between funds	16	-	(46,491)	46,491	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<u>(25,428)</u>	<u>(24,786)</u>	<u>(459,016)</u>	<u>(509,230)</u>	<u>(759,245)</u>
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	22	-	(17,000)	-	(17,000)	347,000
<b>Net movement in funds</b>		<u>(25,428)</u>	<u>(41,786)</u>	<u>(459,016)</u>	<u>(526,230)</u>	<u>(412,245)</u>
<b>Reconciliation of funds:</b>						
Total funds brought forward		845,743	41,786	7,870,575	8,758,104	9,170,349
Net movement in funds		(25,428)	(41,786)	(459,016)	(526,230)	(412,245)
<b>Total funds carried forward</b>		<u>820,315</u>	<u>-</u>	<u>7,411,559</u>	<u>8,231,874</u>	<u>8,758,104</u>

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

The notes on pages 34 to 59 form part of these financial statements.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07791971**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	13	7,404,896	7,863,912
<b>Current assets</b>			
Debtors	14	314,189	208,830
Cash at bank and in hand		1,385,426	1,488,380
		1,699,615	1,697,210
Creditors due within one year	15	(872,637)	(803,018)
<b>Net current assets</b>		826,978	894,192
<b>Total net assets</b>		8,231,874	8,758,104
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	16	7,411,559	7,870,575
Restricted income funds	16	-	41,786
<b>Total restricted funds</b>	16	7,411,559	7,912,361
<b>Unrestricted income funds</b>	16	820,315	845,743
<b>Total funds</b>		8,231,874	8,758,104

The financial statements on pages 31 to 59 were approved by the Trustees, and authorised for issue on 10 December 2024 and are signed on their behalf, by:

**G Turner**  
Chair of Trustees

The notes on pages 34 to 59 form part of these financial statements.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2024**

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	18	(90,819)	(430,796)
<b>Cash flows from investing activities</b>	19	(12,135)	46,427
<b>Change in cash and cash equivalents in the year</b>		(102,954)	(384,369)
Cash and cash equivalents at the beginning of the year		1,488,380	1,872,749
<b>Cash and cash equivalents at the end of the year</b>	20, 21	<u>1,385,426</u>	<u>1,488,380</u>

The notes on pages 34 to 59 form part of these financial statements

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

**1.2 Company status**

The Academy is a company limited by guarantee. Members are noted on page 1. In the event of the Academy's being wound up, the liability in respect of the guarantee is limited to £10 per Member. The Academy's registered office is Parsonage Lane, Bishop's Stortford, CM23 5BD.

**1.3 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.

The Academy derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Academy funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this Report. The financial statements do not contain any adjustments that would be required if the Academy were not able to continue as a going concern.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

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

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

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

Donations 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

**1.5 Expenditure**

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.6 Interest receivable**

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

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.7 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.

**1.8 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 buildings	- 23 years straight line, 30 years straight line for additions
Furniture and equipment	- 5-15 years straight line
Computer equipment	- 4-10 years straight line
Motor vehicles	- 10 years straight line

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

**1.9 Debtors**

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

**1.10 Cash at bank and in hand**

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

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.11 Liabilities**

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

**1.12 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 14. 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 15. 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.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.13 Pensions**

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

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

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

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

If pension scheme assets are more than liabilities a surplus is recognised only to the extent that the Academy is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. Any change in the restriction of the surplus is an actuarial gain or loss and is recognised in other recognised gains and losses.

**1.14 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

The Academy 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 22, 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.

At the Balance Sheet date the pension scheme assets were more than the liabilities, resulting in a surplus. It was necessary to determine the extent to which this surplus was capable of being recovered either through reduced contributions in the future or through refunds from the scheme. A refund is only available on ceasing to participate in the scheme, which is not practicably possible whilst the Academy continues in operation due to the requirement to provide access to the scheme to relevant employees and would not be possible if the Academy were to cease operations as these operations would be transferred to another academy trust that would take over any asset. With regard to reductions in contributions the Academy is pooled with other trusts in the setting of its contribution rates under the scheme. In addition the Academy considers there to be a minimum funding requirement in respect of its contributions. Consequently the Academy does not consider that it is able to recover the surplus through reduced contributions in the future and has therefore restricted the surplus recognised to £nil.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**3. Income from donations and capital grants**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	6,830	268,230	-	275,060	243,736
Capital grants	-	-	29,180	29,180	162,598
	<u>6,830</u>	<u>268,230</u>	<u>29,180</u>	<u>304,240</u>	<u>406,334</u>
Total 2023	<u>6,355</u>	<u>225,264</u>	<u>174,715</u>	<u>406,334</u>	

In 2023, income from donations was £243,736, of which £225,264 was restricted and £6,355 was unrestricted. £12,117 was in relation to restricted fixed assets.

In 2023, income from capital grants was £162,598, all of which was in relation to restricted fixed assets.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**4. Funding for the Academy's charitable activities**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	7,166,224	7,166,224	6,788,834
<b>Other DfE/ESFA grants</b>				
Other DfE/ESFA grants	-	-	-	32,183
16-19 funding	-	1,236,751	1,236,751	1,276,973
Teachers' Pension grant	-	124,171	124,171	47,726
Teachers' Pay grant	-	130,396	130,396	-
Pupil Premium	-	211,536	211,536	203,141
Rates Relief	-	45,381	45,381	40,666
Supplementary grant	-	-	-	212,552
Recovery Premium	-	53,820	53,820	50,543
Mainstream Schools Additional Grant	-	253,650	253,650	105,688
	-	9,221,929	9,221,929	8,758,306
<b>Other Government grants</b>				
Local Authority grants	-	208,949	208,949	271,415
<b>Catering income</b>	436,955	-	436,955	377,898
<b>Other grants</b>				
Sports Games Organiser grant	-	25,784	25,784	22,845
	436,955	9,456,662	9,893,617	9,430,464
Total 2023	377,898	9,052,566	9,430,464	

In 2023, catering income was unrestricted and all other income was restricted.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**5. Income from other trading activities**

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Hire of facilities	208,625	208,625	225,006
Music Fees	-	-	1,844
Other Income	66,253	66,253	58,782
	<u>274,878</u>	<u>274,878</u>	<u>285,632</u>
	<u>285,632</u>	<u>285,632</u>	
Total 2023			

In 2023, income from the hire of facilities was £225,006 of which all was unrestricted.

In 2023, income from music fees was £1,844 of which all was unrestricted.

In 2023, other income was £58,782 of which all was unrestricted.

**6. Investment income**

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank Interest	88	88	175
Investment Income	34,268	34,268	6,615
	<u>34,356</u>	<u>34,356</u>	<u>6,790</u>
	<u>6,790</u>	<u>6,790</u>	
Total 2023			

In 2023, all investment income was in relation to unrestricted funds.

**BIRCHWOOD HIGH SCHOOL**  
(A Company Limited by Guarantee)

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

**7. Expenditure**

	Staff Costs 2024 £	Premises 2024 £	Other 2024 £	Total 2024 £	Total 2023 £
Direct costs	5,719,527	-	726,093	6,445,620	6,042,467
Support cost	2,501,128	1,258,149	811,424	4,570,701	4,845,998
	<u>8,220,655</u>	<u>1,258,149</u>	<u>1,537,517</u>	<u>11,016,321</u>	<u>10,888,465</u>
Total 2023	<u>7,908,677</u>	<u>1,612,779</u>	<u>1,367,009</u>	<u>10,888,465</u>	

In 2023, direct expenditure consisted of £5,410,740 staff costs and £631,727 other costs.

In 2023, support costs consisted of £2,497,937 staff costs, £1,612,779 premises costs and £735,282 other costs.

**8. Charitable Activities**

	2024 £	2023 £
Direct costs	6,445,620	6,042,467
Support costs	4,570,701	4,845,998
	<u>11,016,321</u>	<u>10,888,465</u>

**Analysis of support costs**

	2024 £	2023 £
Support staff costs	2,501,128	2,497,937
Depreciation	534,687	522,965
Premises costs	723,462	1,101,931
Technology costs	173,712	195,266
Other support costs	614,658	505,895
Governance costs	21,536	21,991
Legal costs	1,518	13
	<u>4,570,701</u>	<u>4,845,998</u>

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**9. Net (expenditure)/income**

Net (expenditure)/income for the year includes:

	2024	2023
	£	£
Operating lease rentals	9,411	9,411
Depreciation of tangible fixed assets	534,687	522,965
Fees paid to Auditors for:		
- audit	10,450	9,520
- other services	6,860	6,360
	6,860	6,360

**10. Staff**

**a. Staff costs and employee benefits**

Staff costs during the year were as follows:

	2024	2023
	£	£
Wages and salaries	6,048,731	5,827,971
Social security costs	590,413	590,604
Pension costs	1,439,280	1,379,744
	8,078,424	7,798,319
Agency staff costs	142,231	110,358
	8,220,655	7,908,677

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**10. Staff (continued)**

**b. Staff numbers**

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

	2024 No.	2023 No.
Teachers	90	89
Administration and Support	68	69
Management	6	7
	164	165
	164	165

**c. Higher paid staff**

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

	2024 No.	2023 No.
In the band £60,001 - £70,000	9	6
In the band £70,001 - £80,000	1	2
In the band £80,001 - £90,000	1	2
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	1	-
In the band £110,001 - £120,000	-	1
	-	1
	-	1

**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 £906,376 (2023 - £939,008).

Employer national insurance contributions included within key management personnel remuneration were £79,352 (2023 - £84,875).

Employer pension contributions included within key management personnel remuneration were £167,111 (2023 - £163,167).

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**11. 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:

		2024	2023
		£	£
S Griffin (appointed 5 September 2023)	Remuneration	100,000 - 105,000	-
	Pension contributions paid	25,000 - 30,000	-
R Noblett	Remuneration	55,000 - 60,000	55,000 - 60,000
	Pension contributions paid	15,000 - 20,000	10,000 - 15,000
C Pressland	Remuneration	55,000 - 60,000	50,000 - 55,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000
Dr C Ingate (resigned 5 September 2023)	Remuneration	-	115,000 - 120,000
	Pension contributions paid	-	25,000 - 30,000
A Byers (resigned 2 March 2023)	Remuneration	-	15,000 - 20,000
	Pension contributions paid	-	0 - 5,000

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

**12. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2024 was included in insurance costs.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**13. Tangible fixed assets**

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2023	12,367,705	1,352,010	809,272	23,800	14,552,787
Additions	-	21,314	54,357	-	75,671
Disposals	-	(50,886)	(133,075)	(2,800)	(186,761)
At 31 August 2024	<u>12,367,705</u>	<u>1,322,438</u>	<u>730,554</u>	<u>21,000</u>	<u>14,441,697</u>
<b>Depreciation</b>					
At 1 September 2023	5,031,854	962,803	674,093	20,125	6,688,875
Charge for the year	428,699	50,434	53,454	2,100	534,687
On disposals	-	(50,886)	(133,075)	(2,800)	(186,761)
At 31 August 2024	<u>5,460,553</u>	<u>962,351</u>	<u>594,472</u>	<u>19,425</u>	<u>7,036,801</u>
<b>Net book value</b>					
At 31 August 2024	<u><u>6,907,152</u></u>	<u><u>360,087</u></u>	<u><u>136,082</u></u>	<u><u>1,575</u></u>	<u><u>7,404,896</u></u>
At 31 August 2023	<u><u>7,335,851</u></u>	<u><u>389,207</u></u>	<u><u>135,179</u></u>	<u><u>3,675</u></u>	<u><u>7,863,912</u></u>

**14. Debtors**

	2024 £	2023 £
<b>Due within one year</b>		
Trade debtors	17,551	-
Prepayments and accrued income	279,322	154,100
VAT recoverable	17,316	54,730
	<u><u>314,189</u></u>	<u><u>208,830</u></u>

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**15. Creditors: Amounts falling due within one year**

	2024 £	2023 £
Trade creditors	168,209	211,850
Other taxation and social security	143,507	155,070
Other creditors	181,864	162,222
Accruals and deferred income	379,057	273,876
	872,637	803,018
	872,637	803,018
	2024 £	2023 £
Deferred income brought forward	135,471	138,737
Resources deferred during the year	212,490	135,471
Amounts released from previous periods	(135,471)	(138,737)
	212,490	135,471
	212,490	135,471

Resources deferred at the period end mainly relate to ESFA grants and future educational visits.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**16. Statement of funds**

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
<b>Unrestricted funds</b>						
Unrestricted funds	845,743	753,019	(778,447)	-	-	820,315
<b>Restricted general funds</b>						
GAG	-	7,166,224	(7,119,733)	(46,491)	-	-
Other DfE/ESFA grants	41,786	2,055,705	(2,097,491)	-	-	-
Other Government grants	-	208,949	(208,949)	-	-	-
Restricted donations	-	268,230	(268,230)	-	-	-
Other Restricted Funds	-	25,784	(25,784)	-	-	-
Pension reserve	-	-	17,000	-	(17,000)	-
	41,786	9,724,892	(9,703,187)	(46,491)	(17,000)	-
<b>Restricted fixed asset funds</b>						
Devolved formula capital	-	29,180	-	(29,180)	-	-
Condition improvement fund	6,663	-	-	-	-	6,663
Fixed assets	7,863,912	-	(534,687)	75,671	-	7,404,896
	7,870,575	29,180	(534,687)	46,491	-	7,411,559
<b>Total Restricted funds</b>	7,912,361	9,754,072	(10,237,874)	-	(17,000)	7,411,559
<b>Total funds</b>	8,758,104	10,507,091	(11,016,321)	-	(17,000)	8,231,874

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**16. Statement of funds (continued)**

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

**Unrestricted funds**

This represents income received that does not have restrictions.

**General Annual Grant (GAG)**

This represents funding from the ESFA to cover the costs of recurrent expenditure.

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

**Other Government grants**

These represent various grants from local and national Government bodies for the provision of specific services to pupils of the Academy.

**Other DfE/ESFA grants**

Other DfE/ESFA grants relate to the restricted income received from both the Department for Education and the Education and Skills Funding Agency to assist with the costs of the Academy in relation to specific activities. This includes Pupil Premium and P.E. and Sports Grant.

**Other restricted funds**

This represents funding received for the Government "School Games Organiser" initiative.

**Restricted donations**

This represents donations received by the Academy which have restrictions on what they can be used for applied to them including contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running these trips.

**Pension reserve**

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Academy on conversion from a state controlled school.

**Restricted fixed assets**

These funds have arisen from the fixed assets inherited upon conversion and from the subsequent purchases of new assets for use by the Academy. All assets held are specifically for the use of the Academy. The transfer between funds represents additions purchased through capital funding and reserves.

**Devolved Formula Capital (DFC) and Condition Improvement Fund (CIF)**

These represent grants received toward a specific building or maintenance project (CIF) or any annual formula capital funding (DFC) received during the year.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**16. Statement of funds (continued)**

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Capital projects	160,000	-	(160,000)	-	-	-
<b>General funds</b>						
Unrestricted funds	928,437	676,675	(759,369)	-	-	845,743
<b>Total Unrestricted funds</b>	<b>1,088,437</b>	<b>676,675</b>	<b>(919,369)</b>	<b>-</b>	<b>-</b>	<b>845,743</b>
<b>Restricted general funds</b>						
GAG	-	8,065,807	(8,065,807)	-	-	-
Other DfE/ESFA grants	45,909	715,344	(719,467)	-	-	41,786
Other Government grants	-	271,415	(271,415)	-	-	-
Restricted donations	-	225,264	(225,264)	-	-	-
Pension reserve	(263,000)	-	(84,000)	-	347,000	-
	<b>(217,091)</b>	<b>9,277,830</b>	<b>(9,365,953)</b>	<b>-</b>	<b>347,000</b>	<b>41,786</b>

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**16. Statement of funds (continued)**

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Restricted fixed asset funds</b>						
Devolved formula capital	28,424	82,598	(80,178)	(30,844)	-	-
Condition improvement fund	6,663	-	-	-	-	6,663
Fixed assets	8,263,916	12,117	(522,965)	110,844	-	7,863,912
Other capital grants	-	80,000	-	(80,000)	-	-
	<u>8,299,003</u>	<u>174,715</u>	<u>(603,143)</u>	<u>-</u>	<u>-</u>	<u>7,870,575</u>
<b>Total Restricted funds</b>	<u>8,081,912</u>	<u>9,452,545</u>	<u>(9,969,096)</u>	<u>-</u>	<u>347,000</u>	<u>7,912,361</u>
<b>Total funds</b>	<u><u>9,170,349</u></u>	<u><u>10,129,220</u></u>	<u><u>(10,888,465)</u></u>	<u><u>-</u></u>	<u><u>347,000</u></u>	<u><u>8,758,104</u></u>

**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	-	7,404,896	7,404,896
Current assets	848,738	844,214	6,663	1,699,615
Creditors due within one year	(28,423)	(844,214)	-	(872,637)
<b>Total</b>	<u><u>820,315</u></u>	<u><u>-</u></u>	<u><u>7,411,559</u></u>	<u><u>8,231,874</u></u>

**BIRCHWOOD HIGH SCHOOL**  
(A Company Limited by Guarantee)

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

**17. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	7,863,912	7,863,912
Current assets	845,743	844,804	6,663	1,697,210
Creditors due within one year	-	(803,018)	-	(803,018)
<b>Total</b>	<u>845,743</u>	<u>41,786</u>	<u>7,870,575</u>	<u>8,758,104</u>

**18. Reconciliation of net expenditure to net cash flow from operating activities**

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	(509,230)	(759,245)
<b>Adjustments for:</b>		
Depreciation	534,687	522,965
Capital grants from DfE and other capital income	(29,180)	(162,598)
Interest receivable	(34,356)	(6,790)
Increase in debtors	(105,359)	(73,849)
Increase/(decrease) in creditors	69,619	(35,279)
Pension adjustment	(17,000)	84,000
<b>Net cash used in operating activities</b>	<u>(90,819)</u>	<u>(430,796)</u>

**19. Cash flows from investing activities**

	2024 £	2023 £
Interest received	34,356	6,790
Purchase of tangible fixed assets	(75,671)	(122,961)
Capital grants from DfE Group	29,180	82,598
Capital funding received from sponsors and others	-	80,000
<b>Net cash (used in)/provided by investing activities</b>	<u>(12,135)</u>	<u>46,427</u>

**BIRCHWOOD HIGH SCHOOL**  
(A Company Limited by Guarantee)

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

**20. Analysis of cash and cash equivalents**

	2024 £	2023 £
Cash in hand and at bank	1,385,426	1,488,380
<b>Total cash and cash equivalents</b>	<b>1,385,426</b>	<b>1,488,380</b>

**21. Analysis of changes in net debt**

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	1,488,380	(102,954)	1,385,426
	1,488,380	(102,954)	1,385,426

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

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

Contributions amounting to £170,443 were payable to the schemes at 31 August 2024 (2023 - £157,229) 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.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**22. 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. 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; and

The result of this valuation was implemented on 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 £1,114,208 (2023 - £961,548).

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 £457,000 (2023 - £452,000), of which employer's contributions totalled £358,000 (2023 - £354,000) and employees' contributions totalled £99,000 (2023 - £98,000). The agreed contribution rates for future years are 22.65 per cent for employers and between 5.5 and 8.5 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

**BIRCHWOOD HIGH SCHOOL**  
(A Company Limited by Guarantee)

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

**22. Pension commitments (continued)**

**Principal actuarial assumptions**

	2024 %	2023 %
Rate of increase in salaries	3.15	3.50
Rate of increase for pensions in payment/inflation	2.65	3.00
Discount rate for scheme liabilities	5.00	5.20

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

	2024 Years	2023 Years
Retiring today		
Males	20.9	21.0
Females	25.2	25.3
Retiring in 20 years		
Males	21.7	21.8
Females	25.7	25.8

**Sensitivity analysis**

As at 31 August 2024 the Academy had a pension liability of £6,675,000 (2023 – £6,096,000). The sensitivity analysis detailed below would increase/ (decrease) the closing defined benefit obligation in the following way:

	2024 £000	2023 £000
Discount rate +0.1%	(135)	(122)
Discount rate - 0.1%	135	122
Mortality assumption - 1 year increase	267	244
Mortality assumption - 1 year decrease	(267)	(244)
CPI rate +0.1%	133	122
CPI rate -0.1%	(133)	(122)

**BIRCHWOOD HIGH SCHOOL**  
(A Company Limited by Guarantee)

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

**22. Pension commitments (continued)**

**Share of scheme assets**

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

	At 31 August 2024 £	At 31 August 2023 £
Equities	4,100	3,169
Corporate bonds	1,908	1,491
Property	848	870
Cash and other liquid assets	212	683
<b>Total market value of assets</b>	<b>7,068</b>	<b>6,213</b>

The scheme's assets are valued at £7,068,000, due to this resulting in assets exceeding liabilities a surplus exists. The surplus has been capped by an asset ceiling calculated by the actuary based on application of the scheme rules which state the trust only has a limited entitlement to future economic benefit resulting from this actuarial valuation. The value of this is £393,000 (2023 - £117,000) which has restricted the value of assets recognised in the accounts to £6,675,000 (2023 - £6,096,000).

The actual return on scheme assets was £566,000 (2023 - £-117,000).

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

	2024 £	2023 £
Current service cost	341,000	425,000
Interest income	(324,000)	(258,000)
Interest cost	324,000	271,000
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>341,000</b>	<b>438,000</b>

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

	2024 £	2023 £
<b>At 1 September</b>	6,096,000	6,177,000
Interest cost	324,000	271,000
Employee contributions	99,000	98,000
Actuarial gains	(11,000)	(741,000)
Benefits paid	(174,000)	(134,000)
Current service costs	341,000	425,000
<b>At 31 August</b>	<b>6,675,000</b>	<b>6,096,000</b>

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**22. Pension commitments (continued)**

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

	2024 £	2023 £
<b>At 1 September</b>	6,096,000	5,914,000
Interest income	324,000	258,000
Actuarial losses	(28,000)	(394,000)
Employer contributions	358,000	354,000
Employee contributions	99,000	98,000
Benefits paid	(174,000)	(134,000)
<b>At 31 August</b>	<u>6,675,000</u>	<u>6,096,000</u>

**23. Operating lease commitments**

At 31 August 2024 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	2,116	9,411
Later than 1 year and not later than 5 years	-	2,116
	<u>2,116</u>	<u>11,527</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 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 cease to be a Member.

**BIRCHWOOD HIGH SCHOOL**  
**(A Company Limited by Guarantee)**

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

**25. Related party transactions**

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

The spouses of C Pressland and R Bamlett, Trustees, the son of A Sheriff, a member, and the daughter of the D Bull, the Finance Director, are employed by the Trust on contracts approved by Trustees. This remuneration package is in line with the standard payscales for the roles undertaken and their contracts of employment are subject to the normal terms and conditions.

There were no other transactions apart from Trustee remuneration in note 11.