

The Eden Academy

Annual Report and Financial Statements

For the year ended 31 August 2023

Company Limited by Guarantee
Registration Number
08036395 (England and Wales)

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The Eden Academy
Reference and Administrative Information

Members	Hardip Begol (Chair) Judith Hemery Mark Lemon Pamela Stentiford
Directors /Trustees	Barry Nolan (Chair) ¹ Victoria Collis (Deputy-Chair) Mary Canavan Brian Eaton (to 31 August 2023; term of office expired) ¹ Emily Ellington Mark Greenwood ² Jane Inglese Mariangela Ladu ³ John Moffat (from 6 November 2023) ⁴ Anne Marie Neatham (from 1 September 2022) ⁵ Angela St John
Company Secretary and Clerk to the Board	Keith Holroyd

¹ Member of the Finance Committee for 2022-23

² Member and Chair of the Finance Committee for 2022-23

³ Member of the Finance Committee for 2022-23

⁴ Member of Finance Committee for 2023-24 from appointment

⁵ Member of the Finance Committee for 2022-23

The Eden Academy
Directors' Report (incorporating Strategic report) (continued) Year ended 31 August 2023

Senior Leadership Team

Chief Executive Officer (CEO) and Accounting Officer	Susan Douglas
Director for Schools and Educational Services	Paul Van Walwyk
Chief Operating Officer (and Chief Financial Officer)	Sudhi Pathak
Regional Director (North) and Executive Headteacher for James Rennie	Kris Williams
Regional Director (South) and Executive Headteacher for Sunshine House	Andrew Sanders
Cluster Lead (South), Co-Headteacher for Alexandra School and Executive	
Headteacher for Pentland Field School	Perdy Buchanan-Barrow
Co-Headteacher of Alexandra School	Catherine Holdsworth
Headteacher of Grangewood School	Liz Edwards
Headteacher of Hexham Priory School	Louise Burns
Head of School James Rennie School	Kerry Dunbobbin
Headteacher of Moorcroft School	Toni Edmonds-Smith
Head of School, Pentland Field School	Ivan Talbot
Head of Setting, Sunshine House School	Mark Fuell
Head of Satellite, Eden Pinkwell Satellites	Alastair Warner

Registered address

Moorcroft School
Bramble Close
Uxbridge
UB8 3BF

Website

www.theedenacademy.co.uk

Company registration number

08036395 (England and Wales)

Auditor

Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Bankers

Lloyds Bank plc
286-288 Station Road
Harrow
HA1 2EB

Solicitors

TPP Law Ltd
Enterprise House
1-2 Hatfields
London
SE1 9PG

The Eden Academy
Directors' Report (incorporating Strategic report) (continued) Year ended 31 August 2023

The Directors of The Eden Academy ('the Academy Trust' or 'the Trust') present their annual report together with the financial statements and the auditor's report and accountant's report of the charitable company for the year to 31 August 2023. The Directors of the Academy Trust for the purposes of company law are also the Trustees for The Eden Academy for the purposes of charity law, and as such, the terms Director and Trustee are used interchangeably within this report. This annual report serves the purposes of a Directors' Report under company law and a Trustees' report under charity law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 43 to 48 of the attached financial statements and comply with the Academy Trust's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Principal activities

The Eden Academy delivers education to pupils with severe and moderate learning difficulties in:

- ◆ the Local Authority area of Hillingdon at Grangewood School, Moorcroft School and Pentland Field School. Pupils attending Moorcroft and Grangewood Schools are also educated across two additional sites – at Eden Pinkwell Satellites and Sunshine House;
- ◆ the Local Authority area of Harrow at Alexandra School;
- ◆ Northumberland County Council area at Hexham Priory School; and
- ◆ in Westmoreland and Furness Council area at James Rennie School; sixth Form pupils are educated at the James Rennie satellite site at St. Edmunds from October 2023.

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Directors of The Eden Academy are also the Directors of the charitable company for the purposes of company law. The charitable company is known as The Eden Academy.

Members' liability

Each Member of The Eden Academy undertakes to contribute to the assets of the Academy Trust 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 (as detailed in the Articles of Association).

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Directors' indemnities

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

Directors

The following Directors were in office during the year ended 31 August 2023 and/or up to the date of approval of this report except where shown.

Directors / Trustees	Appointed / Resigned	Appointing Body
Barry Nolan (Chair)		Members
Mary Canavan		Members
Victoria Collis		Members
Brian Eaton	Term of office expired 31 August 2023	Members
Emily Ellington		Members
Mark Greenwood		Members
Jane Inglese		Members
Mariangela Ladu		Members
Anne Marie Neatham	Appointed 1 September 2022	Members
Angela St John		Members
John Moffat	Appointed 6 November 2023	Members

Method of recruitment and appointment or election of Directors

In order to maintain the financial acumen within the Board, the company has a Trustee with responsibility for finance. The Board has also taken a decision to allocate portfolio roles to individual Directors to enable them to have an in-depth knowledge of an area of academy performance and to utilise individual expertise as effectively as possible. As such, the Board has Trustees with responsibility for:

- ◆ Finance, including chairing the Finance Committee;
- ◆ Audit and Risk Management;
- ◆ Standards and school performance;
- ◆ Safeguarding;
- ◆ Asset management, ICT and data protection/GDPR;

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment or election of Directors (continued)

- ◆ Human resources, including chairing the Remunerations Committee;
- ◆ Therapy and Professional Development Services;
- ◆ Marketing and communications;
- ◆ Family engagement, incorporating Family Services;
- ◆ CEO Liaison; and
- ◆ Local Advisory Board Liaison.

New trustee appointments are approved by the Members following a rigorous appointment process. The Academy Trust publicly publishes vacancies through appropriate channels.

Policies and procedures adopted for the induction and training of Directors

In addition to internal inductions, The Eden Academy purchases training from The Key, the Confederation of School Trusts and Schools HR Co-operative, specifically in relation to governance. In addition, it is a member of the National Governance Association (NGA). Trustees also receive annual training on safeguarding.

A detailed induction process is in place for new Trustees.

Organisational structure

An up to date organisation structure can be found in section 5 of the Governance Charter, a copy of which can be found in the Eden Academy website.

The Academy Trust has a Chief Executive Officer (CEO) of the Academy Trust, who also acts as the Academy Trust's Accounting Officer. The CEO's role and responsibilities are as follows:

The role of the CEO

The CEO is responsible for leading the organisation in taking forward its vision, mission, values and strategy in collaboration with the Senior Leadership Team, Directors, staff and other stakeholders.

Strategic leadership

To work with the Senior Leadership Team, Board, staff and other key stakeholders to:

- ◆ Develop the vision, mission and values for The Eden Academy including the aim to educate, develop, enrich and nurture (EDEN) our pupils;
- ◆ Set, implement and review strategy for the organisation;

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure (continued)

The role of the CEO (continued)

Strategic leadership (continued)

- ◆ Seek new opportunities and partnerships to enrich the work of The Eden Academy and develop its ethos, practices and reputation; and
- ◆ Support the Board in determining and identifying the success criteria and Key Performance Indicators (KPIs) of the Senior Leadership Team.

Operational and financial management

- ◆ To provide a vision, strategic and operational plans for all staff at The Eden Academy;
- ◆ To ensure strategies are in place to build and motivate teams and develop their capabilities and performance;
- ◆ To ensure that all staff at The Eden Academy understand organisational goals and share a commitment to delivering them;
- ◆ To ensure that the organisation is in a healthy financial position and manages its finances and resources prudently and effectively;
- ◆ To work in close partnership with the Directors and the Senior Leadership Team to ensure clear and robust lines of accountability;
- ◆ To develop and maintain excellent working relations with The Eden Academy Board; and
- ◆ To support The Eden Academy Board so that it fulfils its governance function effectively.

External Communications

- ◆ To develop and communicate a consistent, appropriate and effective brand for the organisation based on The Eden Academy's core values;
- ◆ To represent the organisation effectively with external agencies including the DfE, policy makers and other key stakeholders;
- ◆ To build and develop networks in the local communities to promote and raise the profile of the Academy Trust and create sponsors and partners; and
- ◆ To develop The Eden Academy's profile as a pioneering, influential and thoughtful voice at the forefront of thinking in the Special Educational Needs (SEN) arena.

Policies

The Academy Trust has carried out a review of the current state of play of all policies across The Eden Academy covering all aspects of its work (i.e. finance, personnel, curriculum etc.) to align the best practice across the Academy Trust merging and refining these policies for approval by the Board of Directors.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure (continued)

The role of the CEO (continued)

Policies (continued)

The Academy Trust has also worked on its structure to ensure that all six schools have worked to the high standards set by the Board of Directors. The collaboration between the six schools and Sunshine House has enhanced the continued professional development of the staff across The Eden Academy.

The role of the Accounting Officer

As the Academy Trust's Accounting Officer, the CEO is personally responsible to Parliament and to the Accounting Officer of the Education and Skills Funding Agency (ESFA) for the resources under her control. The essence of the role is a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; for ensuring value for money; and for the efficient and effective use of all the resources in their charge. Essentially accounting officers must be able to assure Parliament and the public of high standards of probity in the management of public funds.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of The Eden Academy responsible for directing and controlling the Academy Trust comprise the Directors together with the Senior Leadership Team as detailed at page 3. During the year ended 31 August 2023, no individual was remunerated for their services as a Director.

The Eden Academy Board of Directors has appointed a Remuneration Committee, the terms of reference for which are reviewed annually and which comprises three Directors. The Remuneration Committee is responsible for setting the pay policy for the Academy Trust including that of the:

- ◆ CEO and the other members of the Senior Leadership Team;
- ◆ Heads, Deputy Heads and Assistant Heads of School; and
- ◆ Service Managers.

For the Service Managers and the Heads, Deputy Heads and Assistant Heads of School, the Remuneration Committee has set pay thresholds within the leadership scale of the School Teachers' Pay and Conditions Document (STPCD).

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting pay and remuneration of key management personnel

(continued)

For the rest of the Senior Leadership Team, a separate pay scale has been created. In creating this pay scale the Remuneration Committee took into consideration methodology and advice set out in the STPCD, undertook a benchmarking exercise with similar size multi-academy trusts and took independent advice from the Managing Director of the Human Resources company from which we purchase services (Schools HR Cooperative).

Trade union facility time

In accordance with the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, the following information has been provided in respect of Trust employees involved in Trade Union Facility Time activity.

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
5	5

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	£9,858
Total pay bill	£200,483
Percentage of the total pay bill spent on facility time	4.92%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total facility time hours	3.27%
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STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Engagement with employees

Leaders of schools, services and operations consult staff on key areas such as those that need improvement which informs the construction of the associated development plan. In addition, leaders will provide information, including that related to human relations, on matters of concern to them. Key performance indicators are produced as part of the development plan process which are shared with the Senior Leadership Team (SLT) and staff members enabling employee participation in the performance of the organisation. In addition SMI (School Management Information) data is produced on a termly basis which enables employees to track trends over time.

Eden Academy has adopted a Recruitment and Selection Policy and Procedure that is in line with all relevant legislation. The policy is published on the Eden Academy website.

With respect to finance, employees are consulted during the budget setting process for each school. The consultation is undertaken by the Chief Operating Officer through the Head of each school and other senior staff. The budget setting and consultation process covers all aspects of the schools' operations and the budget is set according to the priorities of each school.

Regular formal fortnightly meetings are held between the Chief Operating Officer and the Head of each school. These meetings enable the views of the Head to be incorporated into any decisions taken affecting the school and its employees. There is also a regular two way dialogue between the Head and the staff of the school in addition to regular staff newsletters.

Engagement with suppliers, customers and others in a business relationship with the Trust

Eden Academy continues to foster good working relations with suppliers by ensuring:

- ◆ Payments to suppliers are made within required timescales;
- ◆ Where payments are delayed a dialogue is maintained with the supplier;
- ◆ Tender processes are clear and transparent and are published on the Academy Trust's website; and
- ◆ Clear escalation procedures are in place in case of a dispute with The Eden Academy.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Objectives and activities

The principle objective of The Eden Academy is to advance, for the public benefit, education in the United Kingdom. In particular by establishing, maintaining, carrying on, managing and developing schools specially organised to deliver provision for pupils with Special Educational Needs ("the Special Academies").

Vision: The Eden Academy will create centres of educational excellence where our young people will achieve exceptional outcomes.

Value statements

- ♦ **Inclusion:** a voice for everyone and everyone is heard;
- ♦ **Focus:** children and young people are at the core of all we do;
- ♦ **Collaboration:** together we are stronger;
- ♦ **Quality:** excellence through innovation, creativity and continuous improvement; and
- ♦ **Integrity:** transparency and fairness in all we do.

Objectives, strategies and activities

Every year the Eden Academy constructs an Academy Trust development plan detailing the main objectives for the year ahead, and updating the three year plan. The main objectives are to develop consistency and common approaches across the Academy Trust within the following areas:

- ♦ Schools;
- ♦ Services; and
- ♦ Operations (including marketing and communications).

The Eden Academy also aims to develop knowledge and understanding of the individual schools across the Academy Trust.

Public Benefit

The Eden Academy provides education for children and young people with moderate and severe learning difficulties. Parents and carers do not pay fees for the services provided by the Academy Trust. The Academy Trust employs a number of service managers to oversee and co-ordinate a range of services across the schools including therapy services, family services and professional development and support services.

The Academy Trust enjoys good relationships with the local communities in which the schools are situated many of whom contribute to fundraising efforts on behalf of their local schools.

The Directors have due regard to the guidance on public benefit, published by the Charity Commission in exercising their powers or duties.

STRATEGIC REPORT

Achievements and performance

During 2022/23:

- ◆ All schools continue to provide at least good and often outstanding provision. This is evidenced through the school self-evaluations which are quality assured through a variety of mechanisms including development visits ' (carried out by the Director for Central Services and Schools), peer review and external scrutiny. The Trust had two OFSTED inspections and both schools – James Rennie and Hexham Priory – were judged as continuing to provide outstanding education. One member of staff received the Excellence in Special Needs award from the Pearson Teaching Awards whilst another received a silver award in the Teaching Assistant of the Year category.
- ◆ The Trust continued to work efficiently and effectively in order to ensure that all children received appropriate education and access to therapies. It continues to provide comprehensive services for families including supplying additional equipment and food to those most in need.
- ◆ The Trust continued to move forward with a complex free school project for pupils with severe learning difficulties. This will enable a primary and secondary school to exist in the north and south areas of the London Borough of Hillingdon, fulfilling demand and significantly reducing travel time for many students. At the end of the 2022-23 academic year, Grangewood school moved out of its accommodation in the north of the borough and will temporarily operate out of a new purpose built building in the south of the borough in 2023-25. While this happens, the original Grangewood building will be demolished and re-built as a new 180 place free school. Work continues to align the provision – particularly in relation to curriculum and assessment- of Grangewood School and Sunshine House as these two settings will eventually form part of the new school on the original Grangewood site.
- ◆ The Trust restructured its Senior Leadership Team to build capacity across the two hubs in anticipation of further expansion. This included the introduction of Regional Hub Directors who took up post in September 2022. In 2022-23, the Trust began working with Cumbria Academy for Autism (CAA), a single Academy Trust which is facing challenges in providing appropriate provision for its cohort. CAA will become part of the Eden Academy Trust in 2023-24.
- ◆ The Trust set a balanced budget overall. In any case where an individual school encountered an in year budget deficit the Academy has been in active discussions with the relevant Local Authority and used reserves to balance budgets in the short term. The funds available to the Academy Trust and the related expenditure have been kept under constant review.
- ◆ The CEO continued to contribute at national level to DFE strategic initiatives including the Attendance Alliance, the Strategic Development Advisory Board and most recently through the SEND/AP implementation board. She also took up a position on the London Regions Group. The Director for Educational Services and Schools was awarded a doctorate in 2022-23.

STRATEGIC REPORT (continued)

Key performance indicators

The Eden Academy has just completed its tenth financial year during which it has consolidated its position. The Board of Trustees have focused on the Academy Trust's cash flow, recovery of income from the new way of working in regards to top-up fees and establishing effective practices across the Academy Trust. Commentary on our financial performance for the 2022/23 year and year end position is provided as part of the financial review below.

The Trust also gathers, monitors and reviews information received termly from all constituent schools in a broad range of areas to ensure our understanding of our schools' performance is as accurate as possible. This information is shared across the Trust both in the spirit of openness and also to allow school leaders to work together on matters of school improvement. The Academy Trust has identified and reports on the following key performance indicators (KPIs) which are monitored for all constituent schools and the Trust:

School OFSTED grading

School	Grading
Alexandra School	Outstanding (2016 and 2019)
Grangewood School	Good (2020)
Hexham Priory School	Outstanding (2018 and 2022)
James Rennie School	Outstanding (2018 and 2022)
Moorcroft School	Outstanding (2019)
Pentland Field School	Good (2018)
RNIB Sunshine House	Outstanding (2019)

STRATEGIC REPORT (continued)

Key performance indicators (continued)

Student attendance rates

STUDENT ATTENDANCE				
School	Attendance %	Authorised absence %	Unauthorised absence %	Persistent absence % (<90%)
Alexandra	91.6	7.0	1.4	26.3
Grangewood	85.4	11.3	3.3	38.0
Hexham Priory	92.0	8.0	0.0	19.0
James Rennie	90.98	8.5	0.5	27.0
Moorcroft	89.0	8.8	2.2	31.2
Pentland Field	90.2	7.3	2.5	28.8
Sunshine House/GW	69.4	27.4	3.2	73.0
Sunshine House/MC	85.0	15.0	0.1	58.3

Special School Comparators

Local Authority	Attendance %	Authorised absence %	Unauthorised absence %	Persistent absence % (<90% attendance)
Hillingdon	86.3	10.1	3.5	41.8
Harrow	86.5	12.8	0.8	39.9
Outer London	86.6	10.5	2.9	42.1
Northumberland	85.0	13.0	2.0	40.3
North East	87.2	9.3	3.6	35.8
Cumbria	89.8	9.4	0.8	34.7
North West	87.0	9.5	3.5	37.7
England	86.8	10.2	3.0	39.0

Note - all comparators are for special schools and relate to attendance in special schools for Autumn and Spring 2022-23. Persistent absence refers to the percentage of pupils that were not present at school for at least 90% of the time.

STRATEGIC REPORT (continued)

Key performance indicators (continued)

Number of safeguarding concerns raised

School	Child protection plans	Children-in-need plans	LADO referrals	Looked After Children
Alexandra	0	4	0	0
Grangewood	1	20	0	2
Hexham Priory	2	65	2	9
James Rennie	1	12	0	7
Moorcroft	2	49	4	5
Pentland Field	0	31	1	1
Sunshine House	2	23	4	2

MASH = Multi-Agency Safeguarding Hub

LADO = Local Authority Designated Officer

DSL = Designated Safeguarding Leads

A small number of pupils are under child protection plan under section 47 of the Children's Act 1989. A greater number are on Children in Need Plans under section 17 of the Children's Act 1989. In a special school this may be because these pupils are in need of additional support due to their special needs. Data was collected in July 2023 and indicates cases still open at this time and cases closed in the course of the academic year.

STRATEGIC REPORT (continued)

Key performance indicators (continued)

Financial KPIs

	Teachers' salaries as % of total actual	All staff salaries as % of total actual as % of total
Alexandra		
2020/21	38%	75%
2021/22	40%	78%
2022/23	39%	81%
Grangewood		
2020/21	27%	84%
2021/22	25%	81%
2022/23	24%	81%
Moorcroft		
2020/21	28%	84%
2021/22	26%	77%
2022/23	26%	82%
Pentland Field		
2020/21	29%	85%
2021/22	27%	82%
2022/23	27%	80%
James Rennie		
2020/21	36%	81%
2021/22	36%	81%
2022/23	36%	83%
Hexham Priory		
2020/21	39%	84%
2021/22	33%	75%
2022/23	33%	81%
Schools Total		
2020/21	32%	83%
2021/22	31%	79%
2022/23	30%	82%

Changes in the above ratios between years may arise for a variety of reasons and should not be interpreted as the Academy Trust achieving less value for money. For example, costs savings achieved with respect to non-payroll related costs may give rise to a larger percentage. A change in the composition of staff may also influence the above ratios.

STRATEGIC REPORT (continued)

Financial review

The results for the year are shown in the Statement of Financial Activities on page 42.

Income for the year ended 31 August 2023 totalled £29,541k (2022 - £24,509k). The Academy Trust's income was principally derived through a combination of ESFA placement funding and local authority top-up funding. Top up fees from Hillingdon, Northumberland and Cumbria are provided using a banded system based on the needs of each pupil identified through individual Education Health Care Plans. Top up fees from Harrow are calculated based on individual pupil need and are translated into a single standard fee for each pupil. Out of Borough top up fees are negotiated on a case-by-case basis and agreed with each Head and the COO.

Expenditure for the year ended 31 August 2023 totalled £29,661k (2022 - £28,345k). The major part of the Academy Trust's expenditure is in relation to its staff costs which amounted to £24,217k (2022 - £22,561k). In addition, expenditure for the year ended 31 August 2023 also includes an impairment charge of £1,104k (2022 - £1,105k) in relation to the existing Grangewood estate which is being demolished in autumn 2023 as part of the free schools project – further details are provided within notes 10 and 18 to the financial statements.

After accounting for the actuarial gains on the Local Government Pension Schemes of £4,496k (2022 – gains of £22,577k), the overall net increase in funds was £4,376k (2022 – net increase of £18,741k).

Excluding movements relating to the Academy Trust's fixed assets and the effects of non-cash adjustments made in respect of the LGPS liability, the operational surplus for the year (being equal to the movement on revenue reserves (see 'reserves policy and financial position' below) amounted to £1,420k (2022 - £3k).

Reserves policy and financial position

The Academy Trust has ended the year with total reserves of £31,398k (2022 - £27,022k) which comprises the balance on the fixed assets fund of £27,107k (2022 - £28,158k) a restricted income fund balance of £2,768k (2022 - £1,604k), an unrestricted income fund balance of £2,385k (2022 - £2,129k) and the pension deficit fund balance of £862k (2022 - £4,869k).

STRATEGIC REPORT (continued)

Reserves policy and financial position (continued)

The aggregate of the restricted income fund balance and the unrestricted income fund is £5,153k (2022 - £3,733k) and this is considered to be the free reserves, or revenue reserves, of the Academy Trust available to meet the day-to-day requirements of The Eden Academy. All restricted income funds were from revenue funding and are available for the general purposes of the Academy Trust. The growth in the value of the Academy Trust's free reserves – £1,420k (2022 - £3k) – is effectively the Academy Trust's operational surplus for the year (after accounting for fixed asset purchases made from revenue reserves).

The reserves policy was last approved by the Board in November 2023 and is reviewed every three years. The Academy Trust aims to hold free reserves of between 2% and 6% of income (excluding conversion balances and capital income). At the end of August 2023, the level of free reserves were at 18.7% (2022 – 15.9%) of income (excluding conversion balances and capital income). The Trustees acknowledge that the reserves held is in excess of the target level set. However, they also acknowledge that holding additional reserves will be prudent in the short term to cover:

- ◆ The risk attached to the complexities of the free school project (see 'principal risks and uncertainties' below);
- ◆ Uncertainties around future funding (see 'principal risks and uncertainties' below); and
- ◆ The funding requirements for capital projects in line with the priorities of the Academy Trust's Asset Management Plan.

Therefore, the Trustees are satisfied with the Academy Trust's reserves position at 31 August 2023.

Eden Academy continues to work with the ESFA to progress the two new planned free schools. Regular liaison with DfE is in place. PDG (Project Development Grant) funding has been received in respect of one of the free Schools (Grand Union Village) and additional funding has been requested due to the delays and additional expenditure that will be incurred as a result.

Going concern

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

STRATEGIC REPORT (continued)

Going concern (continued)

In forming this assessment, the Directors have considered the impact of the current Coronavirus pandemic on the Academy Trust, with a particular focus on its effect on the Academy Trust's financial position including its income, expenditure and reserves; its beneficiaries, and its employees. Whilst the Directors acknowledge the disruption caused by the pandemic to the Academy Trust's day-to-day operations, they do not consider this to be cause for material uncertainty in respect of the Academy Trust's ability to continue as a going concern.

Investment policy

The Academy Trust's policy is to hold any surplus funds in appropriate bank accounts.

Fundraising

Each of the schools within The Eden Academy, with the exception of Pentland Field School, is supported by a separate independent charity which fundraises on behalf of that school, but which is not directly controlled by the Academy Trust. The not-for-profit status of these charities allow them to apply for grants through organisations such as the Lottery and Children in Need. Each supporting charity has secure systems in place for managing funds raised and its financial records are subject to annual independent scrutiny.

We are also supported by a number of other local charities on a regular basis. However, The Eden Academy does not employ professional fundraisers to seek funds on its behalf.

STRATEGIC REPORT (continued)

Streamlined Energy and Carbon Reporting

The Academy Trust provides the following information concerning its energy usage:

UK greenhouse gas emissions and energy use data	Year ended 31 August 2023	Year ended 31 August 2022
Energy consumption used to calculate emissions (kWh)	3,527,489	3,661,303
<u>Scope 1 emissions in metric tonnes CO2e</u>		
• Gas consumption	483	526
• Owned transport – mini-buses	9	8
Total scope 1	492	534
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	318	283
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	1	3
Total gross emissions in metric tonnes CO2e	811	817
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	1.03	1.18
Quantification and Reporting Methodology: We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting. Intensity measurement: The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector. Measures taken to improve energy efficiency: • Staff are reminded to switch off lights when vacating rooms; • We have an ongoing programme to upgrade lighting from traditional mediums to energy efficient LED bulbs; • New doors and windows with improved insulation efficiency were installed at one of our schools and a second school is undergoing a similar upgrade. • The roof was replaced at four schools providing better insulation; and • Boilers have been replaced at 3 schools.		

STRATEGIC REPORT (continued)

Principal risks and uncertainties

Funding

The ongoing review of funding for schools by government is posing uncertainty for the Academy Trust with regards to the levels of funding for the future. Along with the continued pressure on Local Authority budgets, this poses a risk on the availability of funding for the significant needs of our pupils. This is managed through tight policies, continued review of performance and a focus on future opportunities including collaborative working with local schools and Local Authorities.

The Academy Trust is in active negotiations with:

- ◆ Harrow Council regarding the top up funding for the next three year period;
- ◆ Hillingdon Council on the principle of using a banded funded model;
- ◆ Cumbria County Council who have increased the level of top up fees for 2023-24; and
- ◆ Northumberland County Council on the lack of a review of top up fees for the last eight years.

Competitors

The schools within The Eden Academy have a good reputation and are currently close to or over capacity. There are no significant competitors within the local area at the moment. Risks from competitors have been significantly reduced by the Trust's successful bid to open two new free schools. The Eden Academy's specialism with pupils with severe and moderate learning difficulties means it does not compete directly with mainstream schools.

Free Schools Project

The Free Schools Project presents an opportunity and a risk for the Academy Trust. The project has been approved by the DfE and the timings of the two builds have now been agreed. The site of the Grand Union Village School has been occupied by pupils and staff from Grangewood School from October 2023. Grangewood school is now being demolished and Pinn River School will be built on the Grangewood Site. The Finance Committee and the Board are fully aware of the risks and these are also detailed in The Eden Academy's Risk Register. See also 'plans for future periods' below.

Estates

The Eden Academy has a responsibility to ensure that its estate is safe for occupation by staff and students. This is achieved through

- ◆ the Eden Academy health and safety policy;
- ◆ a health and safety management plan for each school which is updated half termly;
- ◆ independent condition surveys that are translated into a planned and prioritised action plan;
- ◆ approval of capital works through the asset management group;
- ◆ risk assessments for any major changes in estates;
- ◆ independent health and safety audits every two years; and
- ◆ the academy has also followed all guidance from the DfE in respect of RAAC and no schools in the academy were found to have been affected by RAAC.

PLANS FOR FUTURE PERIODS

In 2016/17 the Academy Trust was successful with two free school bids to the Department of Education. Construction of the first of the two free schools, Grand Union Village, began in February 2022 and was completed ready for occupancy in the Autumn Term of 2023. Now the construction of Grand Union Village is complete, the pupils and staff of Grangewood School have relocated to this new school. The existing building on the current Grangewood site is now being demolished and re-built. This is expected to be completed by September 2025 and at this point, Grand Union Village and Pinn River School (on the site of the old Grangewood school) will open. At this point Sunshine House setting will close and pupils and staff will move to Pinn River.

The Trustees continues to focus on the priorities laid out in its strategic plan for 2021-24. This strategy focuses on:

- ◆ Our team: recruitment, retention and succession planning.
- ◆ Our outcomes: planning and achieving excellent outcomes for all our pupils.
- ◆ Our culture: building a universal sense of being part of the EAT family.
- ◆ Our future: delivering two new free schools and consolidating our northern hub.
- ◆ Our reputation: building our reputation as SEND specialists at home and abroad.

The Eden Academy had several strategic discussions with a number of schools interested in becoming part of the Trust.

AUDITOR

In so far as the Directors are aware:

- ◆ there is no relevant audit information of which the Academy Trust's auditor is unaware; and
- ◆ the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors' report, incorporating a strategic report, was approved by order of the members of the Board of Directors and signed on its behalf by:



B Nolan
Chair of Directors

Date: 13 December 2023

The Eden Academy
Governance Statement (continued) Year ended 31 August 2023

Scope of responsibility

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

The Board of Directors have delegated the day-to-day responsibility to the Chief Executive Officer (CEO), as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Academy Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

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

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

Director	Meetings attended	Out of a possible
Barry Nolan (Chair)	8	8
Mary Canavan	7	8
Victoria Collis	6	8
Brian Eaton	8	8
Emily Ellington	6	8
Mark Greenwood	6	8
Jane Inglese	6	8
Mariangela Ladu	6	8
Angela St John	6	8
Anne Marie Neatham	5	8

The Eden Academy
Governance Statement (continued) Year ended 31 August 2023

Conflicts of interest

The Academy Trust maintains a register of interests for all members of the governance community (Members, Trustees (Directors) and members of the Local Advisory Boards. A similar register is maintained for senior executive leaders. The registers are published on the Trust and schools' websites as appropriate. An annual review exercise is undertaken in the autumn terms where all those in the above groups are required to review and update or reconfirm their declarations. This process also reminds individuals of the requirement to advise the Trust's Governance Professional of any changes to their declaration during the course of the year. New appointees are required to complete a declaration on appointment with the information added to register(s). Every Board, Members and committee meeting includes a specific agenda item where participants are required to advise the clerk of any changes to their declared interests, any items on the agenda which may give rise to a conflict of interest and/or the offer/receipt of gifts or hospitality.

Governance review

In summer 2023 the Trust commissioned the Confederation of School Trusts (CST) to undertake a review of governance in recognition that it is good practice to receive an external objective insight into the effectiveness of the Trust's governance arrangements on a regular basis. The review considered whether all levels of Trust governance are robust, effective and clear and whether the current model is fit for purpose and scalable when the Trust grows.

The review concluded that:

- ◆ The Trust Board provides highly effective governance which ensures that accountability is held and stakeholder voice is listened to. Governance is fit for purpose and scalable as the Trust grows.
- ◆ The Trust Board Chair is an inspiring leader who has worked diligently to recruit Trustees with the skills and knowledge to deliver high quality scrutiny, challenge and support.
- ◆ Trustees have developed a strong vision for the Trust and have worked with the CEO to bring the schools together under a shared set of values. They provide impactful strategic leadership as a Board and deliver robust governance through their individual portfolios.
- ◆ Highly effective governance structures and systems have been developed which ensure full compliance with statutory requirements.
- ◆ Relationships are strong and trusting. Challenge is appropriately given and well received.
- ◆ The Local Advisory Boards (LABs) play an important role in community anchoring and listening to stakeholder voice.

The next review of governance will take place during the academic year 2025/26.

A number of changes have been made to the Board, and those which took place during the year of report are detailed below:

- ◆ One Director's term of office expired on 31 August 2023;

The Eden Academy
Governance Statement (continued) Year ended 31 August 2023

Governance review (continued)

- ◆ One new Director was recruited in July 2022 who took up office on 1 September 2022 with expertise in finance and operations.
- ◆ One new Director was recruited in October 2023, who took up office on 6 November 2023.

Finance Committee

The Finance Committee is a sub-committee of the main Board of Directors.

A detailed set of accountabilities and responsibilities across The Eden Academy is contained within the Academy Trust's Scheme of Delegation. The Finance Committee normally meets six times during the course of the academic year to oversee the following:

Financial management strategy

- ◆ establish and maintain an up-to-date three-year strategic financial plan;
- ◆ maintain an oversight of the long term financial health of the Academy Trust, including risk management and escalation to the Board of Trustees as appropriate;
- ◆ consider the levels of top up fee charged across the Academy Trust;
- ◆ consider a medium term plan report annually to inform the recovery of deficits, if applicable;
- ◆ review benchmarking data on an annual basis to secure best value for money; and
- ◆ to consider the investment and reserves strategy.
- ◆ recommend to the Board of Directors, the first formal budget plan of the financial year, carry out revisions and monitor the budget;
- ◆ consider a budget position statement including virement decisions at least termly and to report significant anomalies from the anticipated position to the Board of Directors;
- ◆ make decisions in respect of service agreements, contracts and insurance (buildings and public liability);
- ◆ make decisions on expenditure following recommendations from other committees (e.g. Remuneration Committee); and
- ◆ be responsible, in conjunction with the Board of Directors, for determining dismissal payments/early retirement.

Compliance

- ◆ ensure the Academy Trust is operating within its funding agreement;
- ◆ review and agree policies relating to finance as delegated by the Board of Directors e.g. Finance Policy, Record of Financial Responsibility including levels of delegation;
- ◆ approve Audit Committee arrangements including the Statement of Internal Control;
- ◆ receive reports from the Audit Committee and action where necessary; and

The Eden Academy
Governance Statement (continued) Year ended 31 August 2023

Finance Committee (continued)

Compliance (continued)

- ♦ review and approve the charges and remissions policies, expenses policies and best value statement.

Audit & Risk Management

- ♦ To offer external challenge on all issues relating to regularity and risk and oversee arrangements for internal and external audit arrangements, offering an additional level of scrutiny and advice to the Board of Trustees. This strand of the committee's work will be led by the Trustee portfolio holder for Audit & Risk Management.

Attendance at meetings in the year was as follows:

Member	Status	Meetings attended	Out of a possible
Mark Greenwood	Director	7	8
Brian Eaton	Director	4	8
Rod Jones	LAB member (Hexham Priory)	6	8
Mariangela Ladu	Director	7	8
Rebecca Murphy	LAB member (Grangewood)	4	8
Barry Nolan	Director	7	8
Anne Marie Neatham	Director	7	8

LAB = Local Advisory Board

* Susan Douglas (as CEO and Accounting Officer) and Sudhi Pathak (as Chief Financial Officer) also attend the Finance Committee to report, advise and take part in discussions.

Audit and Risk Committee

The Audit and Risk Committee is a sub-committee of the main Board of Directors. Its responsibilities had been subsumed within the Finance Committee for 2022-23 and the autumn term, 2023-24. The committee will be re-established in spring term 2024 to offer external challenge on all issues relating to regularity and risk and oversee arrangements for internal and external audit arrangements, offering an additional level of scrutiny and advice to the Board of Trustees. It will cover the following main responsibilities:

- ♦ *Regularity* - overseeing the processes and procedures adopted by the academy to ensure that compliance arrangements are being followed including statutory policies and website disclosures;
- ♦ *External Audit* - to receive regular updates on progress with external audits including briefings on pre audit planning, timings for audit preparation and audit work, key issues arising during the course of the audit and attendance at audit clearance meetings;
- ♦ *Internal Scrutiny* - to input to the coverage for internal assurance reviews and to receive internal assurance reports; and
- ♦ *Risk registers* - to oversee the production and update of risk registers at an academy level.

The Eden Academy
Governance Statement (continued) Year ended 31 August 2023

Review of value for money

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

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

- ◆ Ensuring that all works are tendered in line with procurement rules.
- ◆ Continuing to review contracts and renegotiating on a cross school basis including:
 - ◇ Utilities;
 - ◇ Grounds maintenance;
 - ◇ Health and Safety support;
 - ◇ Provision of IT support; and
 - ◇ Use of agency staff.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy Trust's 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 at the Academy Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The Eden Academy
Governance Statement (continued) Year ended 31 August 2023

The risk and control framework

The Academy Trust'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:

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

The Board of Directors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Directors have appointed a non-remunerated Director and a non-remunerated Local Advisory Board member, to carry out a programme of internal checks. The reviewers' role includes performing a range of checks on the Academy Trust's financial systems and reporting to the Audit Committee on the same.

In 2022/23, internal assurance work was carried out and three reports produced covering:

- ◆ The Southern Hub – report finalised. Reporting covered Governance arrangements, risk management, income, payroll, budgetary control, procurement procedures, financial reconciliations and audit management letter.
- ◆ Northern Hub James Rennie – report finalised. Reporting covered Governance arrangements, risk management, income, budgetary control, payroll, procurement procedures/purchases, financial and bank reconciliations and audit management letter.
- ◆ Northern Hub Hexham Priory – report finalised. Reporting covered Governance arrangement, risk management, income and payroll.

Review of effectiveness

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

- ◆ reviews of internal controls review work carried out by non-remunerated Director and non-remunerated Local Advisory Board member;
- ◆ the work of the External Auditor; and
- ◆ the work of the Senior Leadership Team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Eden Academy
Governance Statement (continued) Year ended 31 August 2023

Review of effectiveness (continued)

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

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



B Nolan
Chair of Directors



S Douglas
Accounting Officer

Date: 13 December 2023

The Eden Academy
Statement on Regularity, Propriety and Compliance Year ended 31 August 2023

As Accounting Officer of The Eden Academy ('the Academy Trust'), I have considered my responsibility to notify the Academy Trust Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, including for estates safety and management, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022.

I confirm that I and the Academy Trust Board of Directors are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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 Directors and ESFA.



S Douglas
Accounting Officer

Date: 13 December 2023

The Eden Academy
Statement of Directors' Responsibilities Year ended 31 August 2023

The Directors (who act as Trustees of The Eden Academy ('the Academy Trust') for the purposes of charity law and are also the Directors of the Academy Trust for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency (ESFA), United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Academy Trust and of its income and expenditure for that period. In preparing these financial statements, the Directors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities SORP (FRS 102) and the Academies Accounts Direction 2022 to 2023;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 Academy Trust will continue in operation.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Academy Trust 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 Academy Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Directors are responsible for the maintenance and integrity of the charity and financial information included on the Academy Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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



B Nolan
Chair of Directors

Date: 13 December 2023

Independent auditor's report on the financial statements to the Members of The Eden Academy

Opinion

We have audited the financial statements of The Eden Academy (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the notes to the financial statements including the principal accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP (FRS 102)) and the Academies Accounts Direction 2022 to 2023.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its income and expenditure, for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP (FRS 102) and Academies Accounts Direction 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

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

Conclusions relating to going concern (continued)

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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 directors' report (including the strategic report), which is also the trustees' report for the purposes of charity law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the directors' report (including the strategic report), has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report 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 directors' remuneration specified by law are not made;
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors (who are also the trustees for the purposes of charity 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 directors 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 directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- ◆ the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP (FRS 102), the Academies Accounts Direction 2022 to 2023, the Academy Trust Handbook 2022, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of directors' meetings and relevant provided to the directors;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

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

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

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ reviewed journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias.

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

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of directors' meetings;
- ◆ enquiring of management as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The Eden Academy
Independent Auditor's Report (continued) Year ended 31 August 2023

Auditor's responsibilities for the audit of the financial statements (continued)

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

Use of our report

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

A handwritten signature in black ink that reads "Buzzacott LLP". The signature is stylized, with the letters "B", "L", and "P" being particularly prominent and large.

Gumayel Miah (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 21 December 2023

Independent reporting accountant's assurance report on regularity to The Eden Academy and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 31 July 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Eden Academy ("the Academy Trust") during the period from 1 September 2022 to 31 August 2023 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 The Eden Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Eden Academy and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Eden Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Eden Academy's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Eden Academy's funding agreement with the Secretary of State for Education dated 30 May 2012 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by 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.

The Eden Academy
Independent Accountant's Report (continued) Year ended 31 August 2023

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Academy Trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Date: 21 December 2023

The Eden Academy
Statement of Financial Activities
(including income and expenditure account) Year ended 31 August 2023

	Notes	Unrestricted general fund £000	Restricted general fund £000	Restricted fixed assets fund £000	31 August 2023 £000	31 August 2022 £000
Income from:						
Donations and capital grants	2	34	—	659	693	1,044
Charitable activities						
. Funding for the Academy Trust's educational operations	4	—	28,626	—	28,626	23,256
Other trading activities	3	222	—	—	222	209
Total income		256	28,626	659	29,541	24,509
Expenditure on:						
Charitable activities						
. Academy Trust's educational operations	6	—	27,840	1,821	29,661	28,345
Total expenditure	5	—	27,840	1,821	29,661	28,345
Net income / (expenditure) before transfers		256	786	(1,162)	(120)	(3,836)
Transfers between funds	13	—	(111)	111	—	—
Net income / (expenditure) for the year		256	675	(1,051)	(120)	(3,836)
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	16	—	4,496	—	4,496	22,577
Net movement in funds		256	5,171	(1,051)	4,376	18,741
Reconciliation of funds						
Total fund balances brought forward at 1 September		2,129	(3,265)	28,158	27,022	8,281
Total fund balances carried forward at 31 August		2,385	1,906	27,107	31,398	27,022

All of the Academy Trust's activities derived from continuing operations during the above two financial periods.

The Academy Trust has no recognised gains or losses other than those shown above.

The Eden Academy
Balance Sheet 31 August 2023

	Notes	2023 £000	2023 £000	2022 £000	2022 £000
Fixed assets					
Tangible fixed assets	10		26,074		27,576
Current assets					
Debtors	11	730		756	
Cash at bank and in hand		6,561		4,973	
		7,291		5,729	
Liabilities					
Creditors: amounts falling due within one year	12	(1,105)		(1,414)	
Net current assets			6,186		4,315
Net assets excluding pension scheme liability			32,260		31,891
Defined benefit pension scheme liability	16		(862)		(4,869)
Total net assets			31,398		27,022
Restricted funds					
Fixed assets fund	13		27,107		28,158
Restricted income fund	13		2,768		1,604
Pension reserve	13		(862)		(4,869)
			29,013		24,893
Unrestricted funds					
General fund	13		2,385		2,129
Total funds			31,398		27,022

The financial statements on pages 39 to 65 were approved by the Directors, and authorised for issue and are signed on their behalf by:



B Nolan
Chair of Directors

Date: 13 December 2023

The Eden Academy
Company Limited by Guarantee
Registration Number: 08036395 (England and Wales)

The Eden Academy
Statement of Cash Flows Year ended 31 August 2023

		2023 £'000	2022 £'000
Net cash flows from operating activities			
Net cash provided by operating activities	A	1,248	116
Cash flows from investing activities			
	B	340	80
Change in cash and cash equivalents in the year		1,588	196
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September		4,973	4,777
Cash and cash equivalents at 31 August	C	6,561	4,973
A Reconciliation of income to net cash flow from operating activities			
		2023 £'000	2022 £'000
Net income / (expenditure) for the year (as per the statement of financial activities)		(120)	(3,836)
Adjusted for:			
Depreciation charges (note 10)		717	703
Impairment charge (note 10)		1,104	1,105
Capital grants from DfE and other capital income (note 2)		(659)	(973)
Defined benefit pension scheme service cost adjustment (note 16)		1,404	3,570
Defined benefit pension scheme finance cost adjustment (note 16)		(915)	(349)
Decrease / (Increase) in debtors		26	(337)
(Decrease) / Increase in creditors		(309)	233
Net cash provided by operating activities		1,248	116
B Cash flows from investing activities			
		2023 £'000	2022 £'000
Purchase of tangible fixed assets		(319)	(893)
Capital grants from DfE/ESFA		659	973
Net cash provided by investing activities		340	80
C Analysis of cash and cash equivalents			
		2023 £'000	2022 £'000
Cash at bank and in hand		6,561	4,973
Total cash and cash equivalents		6,561	4,973

The Eden Academy
Statement of Cash Flows (continued) Year ended 31 August 2023

D Analysis of changes in net debt

	At 1 September 2022 £'000	Cash flows £'000	At 31 August 2023 £'000
Cash and cash equivalents			
Cash at bank and in hand	4,973	1,588	6,561
Debt			
Salix loan (note 12)	(25)	(2)	(27)
Net debt	4,948	1,586	6,534

1 Principal accounting policies

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

Basis of preparation

The financial statements of The Eden Academy ("the Academy Trust"), which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in sterling and are rounded to the nearest thousand pounds.

Going Concern

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

In forming this assessment, the Directors have considered the impact of the Coronavirus pandemic on the Academy Trust, with a particular focus on its effect on the Academy Trust's financial position including its income, expenditure and reserves; its beneficiaries, and its employees. Whilst the Directors acknowledge the disruption caused by the pandemic to the Academy Trust's day-to-day operations, they do not consider this to be cause for material uncertainty in respect of the Academy Trust's ability to continue as a going concern.

Income

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

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet.

1 Principal accounting policies (continued)

Income (continued)

Grants (continued)

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 period is deducted from income and recognised as a liability.

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

Donations

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

Where assets and liabilities are inherited by the Academy Trust upon schools joining the Academy Trust, the net assets inherited are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received.

Other income

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

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.

1 Principal accounting policies (continued)

Expenditure (continued)

Charitable activities

These are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities. All expenditure is inclusive of any irrecoverable VAT.

Tangible fixed assets

Assets costing £3,000 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Tangible fixed assets donated to, or inherited by, the Academy Trust are recognised at the asset's fair value at the point at which the risks and rewards of owning the asset transferred to the Academy Trust – this value is then subsequently deemed to be equal to the historic cost of the asset for accounting purposes.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost/valuation of each asset on a straight-line basis over its expected useful economic life, as follows:

♦ Freehold buildings	50 years
♦ Long leasehold buildings	45 years
♦ Furniture and equipment	4 years
♦ Computer equipment	4 years
♦ Motor vehicles	4 years

Depreciation is charged from the month of acquisition.

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 Principal accounting policies (continued)

Debtors

Debtors were recognised at their settlement amount, less any provision for non-recoverability. Prepayments were valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represented such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Liabilities

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

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Leased assets

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

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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, loans and other creditors are financial instruments, and are measured at amortised cost. 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.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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 Principal accounting policies (continued)

Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Schemes ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised in the period to which they relate.

The LGPS are funded schemes and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses. Where the scheme is estimated to be in a surplus position, under the reporting provisions of FRS 102, the Academy is only able to recognise a surplus as to the extent that it is able to recover the surplus either through reduced contributions in the future or through funds from the plan. As the Academy does not anticipate being able to recover the surplus in the aforementioned manner, the surplus is not recognised on the balance sheet, and a corresponding adjustment is made within other recognised gains and losses on the statement of financial activities (as an actuarial loss) to bring the net LGPS position to £nil on the balance sheet.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education and Skills Funding Agency.

Critical accounting estimates and areas of judgement

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

1 Principal accounting policies (continued)

Critical accounting estimates and areas of judgement (continued)

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

- ◆ The present value of the Local Government Pension Scheme defined benefit liabilities depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost / (income) for pensions include the discount rate. Any changes in these assumptions 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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; and
- ◆ Estimating the useful economic life of tangible fixed assets for the purposes of calculating depreciation.

Critical areas of judgement

Other than the estimates discussed above, the Trustees do not consider that there are any key judgements made in the preparation of the financial statements.

The Eden Academy
Notes to the Financial Statements Year ended 31 August 2023

2 Donations and capital grants

	Unrestricted funds £'000	Restricted fixed assets funds £'000	2023 Total funds £'000	2022 Total funds £'000
Capital grants	—	659	659	973
Other donations	34	—	34	71
	34	659	693	1,044

	Unrestricted funds £'000	Restricted fixed assets funds £'000	2022 Total funds £'000
Capital grants	—	973	973
Other donations	22	49	71
	22	1,022	1,044

3 Other trading activities

	Unrestricted funds	2022 Total funds £000
	2023 Total funds £000	
Hire of facilities	99	128
Trip income	15	1
Miscellaneous income	108	80
	222	209

Hire of facilities predominantly comprises rent receivable from Growing Trees Nurseries, an independent children's nursery, in both the current and prior year.

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
DfE / ESFA revenue grants				
General Annual Grant (GAG)	—	8,481	8,481	7,813
Pupil Premium	—	313	313	269
Universal Infant Free School Meals	—	43	43	17
Project Development Grant	—	—	—	9
Others	—	6	6	—
Other DfE / ESFA Group grants	—	587	587	217
	—	9,430	9,430	8,325
Other Government grants				
Local Authority income	—	18,842	18,842	14,611
Other income from educational operations				
Catering income - pupils	—	68	68	67
Other income	—	286	286	91
	—	354	354	158
Covid-19 additional funding (DfE/ESFA)				
Catch-up and recovery premium	—	—	—	69
Other DfE / ESFA Covid-19 funding	—	—	—	93
	—	—	—	162
	—	28,626	28,626	23,256

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

4 Funding for the Academy Trust's educational operations (continued)

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
DfE / ESFA revenue grants			
General Annual Grant (GAG)	—	7,813	7,813
Pupil Premium	—	269	269
Universal Infant Free School Meals	—	17	17
Project Development Grant	—	9	9
Other DfE / ESFA Group grants	—	217	217
	—	8,325	8,325
Other Government grants			
Local Authority income	—	14,611	14,611
Other income from educational operations			
Catering income - pupils	—	67	67
Other income	—	91	91
	—	158	158
Covid-19 additional funding (DfE/ESFA)			
Catch-up and recovery premium	—	69	69
Other DfE / ESFA Covid-19 funding	—	93	93
	—	162	162
	—	23,256	23,256

5 Expenditure

	Staff costs (note 7) £'000	Non pay expenditure		2023 Total £'000	2022 Total £'000
		Premises £'000	Other costs £'000		
Academy Trust's educational operations					
. Direct costs	19,780	1,270	(858)	20,192	17,106
. Allocated administrative support costs	4,437	3,023	2,009	9,469	11,239
	24,217	4,293	1,151	29,661	28,345

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

5 Expenditure (continued)

	Staff costs (note 7) £'000	Non pay expenditure		2022 Total £'000
		Premises £'000	Other costs £'000	
<i>Academy Trust's educational operations</i>				
. Direct costs	16,153	1,809	(856)	17,106
. Allocated administrative support costs	6,408	2,169	2,662	11,239
	<u>22,561</u>	<u>3,978</u>	<u>1,806</u>	<u>28,345</u>

Allocated administrative support costs comprises expenditure that is not directly attributable to the educational operations of the Academy Trust including finance, HR, administration and student support.

	2023 Total £'000	2022 Total £'000
Net income / (expenditure) for the year is after charging:		
Operating lease rentals	—	13
Depreciation (note 10)	717	703
Impairment charge (note 10)	1,104	1,105
Fees payable to auditor		
. Statutory audit		
.. Current year	33	30
.. Prior year under provision	1	7
. Other services	7	6

6 Academy Trust's educational operations

	2023 Total £000	2022 Total £000
Direct costs (educational operations)	20,192	17,106
Support costs (administrative) – see below	9,469	11,239
	<u>29,661</u>	<u>28,345</u>
	2023 Total £000	2022 Total £000
Support staff costs (administrative)**	4,437	6,408
Depreciation	718	704
Impairment charge	1,104	1,105
Technology costs	108	170
Premises costs	1,753	1,465
Legal costs – other	1	3
Other support costs	1,300	1,343
Governance costs	48	41
Total support costs	<u>9,469</u>	<u>11,239</u>

** Support staff costs includes service cost adjustments made in respect of defined benefit pension schemes totalling £274,000 (2022: £2,794,000).

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

7 Staff

(a) Staff costs

Staff costs during the year were:

	2023 Total £000	2022 Total £000
Wages and salaries	16,514	13,612
Social security costs	1,542	1,219
Pension costs		
. Employer contributions payable	3,305	2,870
. Service cost adjustment in respect of defined benefit schemes	274	2,794
Apprenticeship levy	67	58
	21,702	20,553
Supply staff costs	2,515	1,993
Staff severance	—	15
	24,217	22,561

(b) Severance payments

There were no severance payments made during the year ended 31 August 2023 (2022: one staff members for £15,000).

	2023 No.	2022 No.
£0 - £25,000	—	1
	—	1

(c) Special staff severance payments

Included in staff severance costs above are special severance payments totalling £nil (2022: £15,000).

(d) Staff numbers

The average numbers of persons (including the Senior Leadership Team) employed by the Academy Trust during the year was as follows:

	2023 No.	2022 No.
Teachers and educational support	564	548
Administration	41	33
Management	30	20
	635	601

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

7 Staff (continued)

(e) Higher paid staff

The number of employees whose emoluments, excluding employer pension contributions, fell within the following bands was:

	2023 No.	2022 No.
£60,001 - £70,000	6	5
£70,001 - £80,000	6	4
£80,001 - £90,000	3	3
£90,001 - £100,000	2	2
£100,001 - £110,000	1	—
£110,001 - £120,000	1	—

(f) Key management personnel

The key management personnel of the Academy Trust comprise the Directors and the Senior Leadership Team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer's social security cost) payable in respect of key management personnel for their services to the Academy Trust was £1,180,990 (2022: £1,170,988).

8 Directors' remuneration and expenses

None of the Directors were remunerated as either Directors of the company, or as Academy Trust personnel, during the period of report (2022: none). During the year ended 31 August 2023, travel and subsistence expenses totalling £283 were reimbursed or paid directly to two Trustees (2022: £183 to one trustee).

9 Central services

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

- ◆ Human resources;
- ◆ Financial services;
- ◆ Legal services;
- ◆ Educational support services;
- ◆ IT services; and
- ◆ Provision of careers support for students aged 16 and over.

The Academy Trust charges for these services at between 5.75% and 6.00% of income (2022: between 5.75% and 6.00% of income) for the schools in the South, and at 4.20% of income (2022: 2.40% of income) for the schools in the North.

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

9 Central services (continued)

The actual amounts charged during the year were as follows:

	2023 £000	2022 £000
Alexandra School	159	106
Grangewood School	524	189
Hexham Priory School	110	33
James Rennie School	195	35
Moorcroft School	474	277
Pentland Field School	700	314
	2,162	954

10 Tangible fixed assets

	Freehold land and buildings £'000	Lease- hold land and buildings £000	Furniture and equipment £'000	Computer equipment £'000	Motor vehicles £000	Total funds £000
Cost						
At 1 September 2022	7,670	26,696	124	165	256	34,911
Additions	—	132	135	34	18	319
At 31 August 2023	7,670	26,828	259	199	274	35,230
Depreciation						
At 1 September 2022	1,088	5,785	123	162	177	7,335
Charge in year	154	509	12	7	35	717
Impairment charge (see below)	—	1,104	—	—	—	1,104
At 31 August 2023	1,242	7,398	135	169	212	9,156
Net book value						
At 31 August 2023	6,428	19,430	124	30	62	26,074
At 31 August 2022	6,582	20,911	1	3	79	27,576

The Secretary of State for Defence and the Secretary of State for Education hold legal charges over property with a value of £2.5 million.

At 31 August 2023, the Academy Trust had capital commitments totalling £nil (2022: £nil) in respect of amounts contractually agreed, but not yet delivered to the Academy Trust by the balance sheet date.

As disclosed within note 18, the existing Grangewood School building is in the process of being demolished as part of the development of Pinn River free school. Given the reduction in the useful economic life of the existing site to the Trust, the carrying value of the Grangewood site has been impaired. The remaining carrying value of the site has been written down over the 2021/22 and 2022/23 financial years.

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

11 Debtors

	2023	2022
	£000	£000
Trade debtors	63	381
VAT recoverable	133	71
Other debtors	64	41
Prepayments and accrued income	470	263
	730	756

12 Creditors : amounts falling due within one year

	2023	2022
	£000	£000
Taxation and social security	207	213
Salix Loan	27	25
Other creditors	301	5
Accruals and deferred income	570	1,171
	1,105	1,414
Deferred income		
Deferred income at 1 September 2021	355	355
Released during the year	—	—
Resources deferred in the year	—	—
Deferred income at 31 August 2022 (see below)	355	355

Deferred income as at 31 August 2022 related to top-up fees received in advance for the 2022/23 academic year totalling £355,000.

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

13 Funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2023 £000
Restricted general funds					
General Annual Grant (GAG)	(60)	8,481	(7,206)	(111)	1,104
Pupil Premium	—	313	(313)	—	—
Universal Infant Free School Meals	—	43	(43)	—	—
Project Development Grant	—	—	—	—	—
Catch-up Premium	—	—	—	—	—
Local Authority income	—	18,842	(18,842)	—	—
Other grants and income	1,664	947	(947)	—	1,664
Pension reserve	(4,869)	—	(489)	4,496	(862)
	(3,265)	28,626	(27,840)	4,385	1,906
Restricted fixed asset funds					
Transfer on conversion	9,451	—	—	—	9,451
DfE/ESFA capital grants	18,471	659	(1,821)	111	17,420
Other capital income	187	—	—	—	187
Private sector capital sponsorship	49	—	—	—	49
	28,158	659	(1,821)	111	27,107
Total restricted funds	24,893	29,285	(29,661)	4,496	29,013
Unrestricted funds					
General funds	2,129	256	—	—	2,385
Total unrestricted funds	2,129	256	—	—	2,385
	27,022	29,541	(29,661)	4,496	31,398

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

ESFA revenue grant fund and other restricted funds

General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Fixed assets fund

These grants relate to funding received to purchase assets of a capital nature and buildings inherited on conversion. Transfers to the fixed asset funds from other revenue reserves are made when revenue reserves are used to fund tangible fixed assets.

Pension reserve

The pension reserve relates to the Academy Trust's share of the deficit of the Local Government Pension schemes.

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

13 Funds (continued)

Analysis of fund balance by academy

Fund balances at 31 August were allocated as follows:

	2023 £000	2022 £000
Alexandra School	76	157
Grangewood School	566	336
Hexham Priory School	227	440
James Rennie School	981	661
Moorcroft School	847	613
Pentland Field School	1,173	781
Central fund	1,283	745
Total before fixed assets and pension reserve	5,153	3,733
Restricted fixed assets fund	27,107	28,158
Pension liability	(862)	(4,869)
Total	31,398	27,022

The central fund includes a sum of £450,000 (2022: £650,000) ring-fenced for one of the schools within the Trust.

Analysis of academies by cost

Expenditure incurred by each school and the central fund during the year (excluding £717,000 (2022: £703,000)) of depreciation was as follows:

	Teaching and education support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation and impairments) £'000	2023 Total £'000	2022 Total £'000
Alexandra School	1,560	372	62	243	2,237	2,052
Grangewood School	3,599	993	74	377	5,043	4,988
Hexham Priory School	2,073	442	49	410	2,974	2,431
James Rennie School	3,781	621	101	408	4,911	4,024
Moorcroft School	2,844	1,325	135	780	5,084	3,518
Pentland Field School	2,664	985	32	566	4,247	3,749
Central services	973	1,929	54	388	3,344	5,775
Total net assets	17,494	6,667	507	3,172	27,840	26,537

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

13 Funds (continued)

Comparative information

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
<i>Restricted general funds</i>					
General Annual Grant (GAG)	—	7,813	(7,873)	—	(60)
Pupil Premium	—	269	(269)	—	—
Universal Infant Free School Meals	—	17	(17)	—	—
Project Development Grant	—	9	(9)	—	—
Catch-up Premium	—	69	(69)	—	—
Local Authority income	—	14,611	(14,611)	—	—
Other grants and income	1,664	468	(468)	—	1,664
Pension reserve	(24,225)	—	(3,221)	22,577	(4,869)
	<u>(22,561)</u>	<u>23,256</u>	<u>(26,537)</u>	<u>22,577</u>	<u>(3,265)</u>
<i>Restricted fixed asset funds</i>					
Transfer on conversion	10,876	—	(1,425)	—	9,451
DfE/ESFA capital grants	17,881	973	(383)	—	18,471
Other capital income	19	—	—	168	187
Private sector capital sponsorship	—	49	—	—	49
	<u>28,776</u>	<u>1,022</u>	<u>(1,808)</u>	<u>168</u>	<u>28,158</u>
<i>Total restricted funds</i>	<u>6,215</u>	<u>24,278</u>	<u>(28,345)</u>	<u>22,745</u>	<u>24,893</u>
<i>Unrestricted funds</i>					
General funds	2,066	231	—	(168)	2,129
<i>Total unrestricted funds</i>	<u>2,066</u>	<u>231</u>	<u>—</u>	<u>(168)</u>	<u>2,129</u>
	<u>8,281</u>	<u>24,509</u>	<u>(28,345)</u>	<u>22,577</u>	<u>27,022</u>

14 Analysis of net assets between funds

	Unrestricted funds £000	Restricted General Funds £000	Restricted Fixed Asset Fund £000	Total 2023 £000
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	—	—	26,074	26,074
Current assets	2,385	3,873	1,033	7,291
Current liabilities	—	(1,105)	—	(1,105)
Pension scheme liability	—	(862)	—	(862)
	<u>2,385</u>	<u>1,906</u>	<u>27,107</u>	31,398

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

14 Analysis of net assets between funds (continued)

	<i>Unrestricted funds £000</i>	<i>Restricted General Funds £000</i>	<i>Restricted Fixed Asset Fund £000</i>	<i>Total 2022 £000</i>
<i>Fund balances at 31 August 2022 are represented by:</i>				
<i>Tangible fixed assets</i>	—	—	27,576	27,576
<i>Current assets</i>	2,129	3,480	120	5,729
<i>Current liabilities</i>	—	(1,414)	—	(1,414)
<i>Pension scheme liability</i>	—	(4,869)	—	(4,869)
	<u>2,129</u>	<u>(2,803)</u>	<u>27,696</u>	<u>27,022</u>

15 Members' Liability

Each Member of the Academy Trust 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.

16 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. Prior to 31 August 2023, the latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022. A further valuation of the TPS scheme, relating to the period ended 31 March 2020 was published in October 2023.

Contributions amounting to £207,000 were payable to the schemes at 31 August 2023 (2022: £213,000).

Teachers' Pension Scheme (TPS)

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

The TPS is an unfunded scheme to which both the member and employer makes 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.

16 Pension and similar obligations (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 specify 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 actuarial valuation of the TPS which applied during the year ended 31 August 2023 was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- ♦ employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy);
- ♦ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million; and
- ♦ the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The valuation result is due to be implemented from 1 April 2024, from this date employer contribution rates will increase to 28.68% (including a 0.08% administration levy).

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

The employer's pension costs paid to TPS in the period amounted to £1,275,000 (2022: £1,125,000).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme (LGPS)

Each LGPS is a multi-employer funded defined benefit scheme, with the assets held in separate trustee-administered funds. The contributions made for the year ended 31 August 2023 (as referenced by the actuaries in determining their estimates) was £2,335,000 (2022: £2,023,000), of which employer's contributions totalled £1,800,000 (2022: £1,591,000) and employees' contributions totalled £535,000 (2022: £432,000). The agreed contribution rates for future years are between 5.5% and 12.5% for employees and between 17.7% and 20.9% for employers.

16 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

The funds that the Academy Trust is part of are: London Borough of Hillingdon Pension Fund (Grangewood School, Moorcroft School and Pentland Field School), London Borough of Harrow Pension Fund (Alexandra School), Northumberland County Council Pension Fund (Hexham Priory School) and Northumberland County Council Pension Fund (James Rennie School).

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

The principal assumptions used in determining the valuations are provided below. The values provided are an average of the two schemes.

	At 31 August 2023	At 31 August 2022
Principal actuarial assumptions		
Rate of increase in salaries	3.6%	3.9%
Rate of increase for pensions in payment / inflation	3.2%	2.9%
Discount rate for scheme liabilities	5.2%	4.2%

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

	At 31 August 2023	At 31 August 2022
Mortality assumptions		
<i>Retiring today</i>		
Males	20.9	22.1
Females	23.8	24.8
<i>Retiring in 20 years</i>		
Males	22.5	23.4
Females	25.6	26.5

	At 31 August 2023 £'000	At 31 August 2022 £'000
Sensitivity analysis – net increase in liability		
0.1% decrease in real discount rate	482	693
Mortality assumption – 1 year increase	776	885
0.1% increase in pension increase rate	598	659
0.1% increase in salary increase rate	148	68

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

16 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

The Academy Trust's share of the assets and liabilities in the scheme and the average expected rates of return across the schemes were:

	Fair value at 31 August 2023 £'000	Fair value at 31 August 2022 £'000
Equities	11,478	9,747
Corporate bonds	5,459	4,919
Property	3,161	3,291
Cash and other liquid assets	895	810
Other	2,270	1,889
Total market value of assets	23,263	20,656

Note that at 31 August 2023, one scheme was in an asset position. As the LGPS surplus is irrecoverable, recognition of the surplus on the balance sheet has been restricted to £nil for this school. The adjustment of £329,000 has been offset against the overall actuarial gain for the year.

Amounts recognised in statement of financial activities	2023 £'000	2022 £'000
Current service cost	1,539	4,385
Administration costs	16	12
Interest income	(913)	(349)
Interest cost	199	764
Total operating charge	841	4,812

Changes in the present value of defined benefit obligations were as follows:	2023 £'000	2022 £'000
At 1 September	25,525	44,365
Current service cost	2,074	4,385
Interest cost	1,114	764
Employee contributions	535	432
Actuarial (gain) loss	(4,723)	(24,085)
Benefits paid	(400)	(336)
At 31 August	24,125	25,525

Changes in the fair value of the Academy Trust's share of scheme assets:	2023 £000	2022 £000
At 1 September	20,656	20,140
Interest income	915	349
Actuarial loss	(227)	(1,508)
Admin expenses	(16)	(12)
Employer contributions	1,800	1,591
Employee contributions	535	432
Benefits paid	(400)	(336)
At 31 August	23,263	20,656

17 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which a Director has an interest. Where transactions involving such organisations take place, these are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

The spouse of the Head of School at Alexandra School is employed within the IT department. His earnings for the year were £7,844 (2022: £6,848). The Governing Body interviewed for the role and decided on the hours and days worked (6 hours per week, 52 weeks per year). The Head of School at Alexandra declares an interest annually and includes her spouse in that declaration. In addition, at any business meeting where it might be relevant, the Head of School leaves the room when her spouse and his role are discussed.

Details of Directors' remuneration and expenses are provided at note 8.

The Academy Trust had no further related party transactions in the year.

18 Post balance sheet events

In 2016/17 the Academy Trust was successful with two free school bids to the Department of Education. Construction of the first of the two free schools, Grand Union Village, began in February 2022 and in October 2023 the pupils and staff of the current Grangewood School relocated to the Grand Union Village site. The existing building on the current Grangewood site is now in the process of being demolished before a new school (Pinn River) is built in its place. This is expected to be completed in Autumn 2025.

An impairment charge of £1,105,000 was recognised in the 2020/21 and 2021/22 financial statements. The remaining carrying value has been written down to nil in the 2022/23 accounts.

In 2022-23, the Trust began working with Cumbria Academy for Autism (CAA), a single Academy Trust which is facing challenges in providing appropriate provision for its cohort. CAA will become part of the Eden Academy Trust in 2023-24 (02/11/23). CAA is a Special Needs School catering for pupils with Autism with 56 pupils on roll. Eden Academy has been supporting CAA for the last year and is familiar with the areas of strength and areas for development within CAA. The Chair of Governors for CAA is now on the Board of Trustees and also sits on the Finance Committee.

The Eden Academy
Notes to the Financial Statements (continued) Year ended 31 August 2023

Comparative information

Comparative information for the preceding year is as follows:

	Notes	Unrestricted general fund £000	Restricted general fund £000	Restricted fixed assets fund £000	31 August 2022 £000
<i>Income from:</i>					
<i>Donations and capital grants</i>	2	22	—	1,022	1,044
<i>Charitable activities</i>					
<i>. Funding for the Academy Trust's educational operations</i>	4	—	23,256	—	23,256
<i>Other trading activities</i>	3	209	—	—	209
<i>Total income</i>		<u>231</u>	<u>23,256</u>	<u>1,022</u>	<u>24,509</u>
<i>Expenditure on:</i>					
<i>Charitable activities</i>					
<i>. Academy Trust's educational operations</i>	6	—	26,537	1,808	28,345
<i>Total expenditure</i>	5	<u>—</u>	<u>26,537</u>	<u>1,808</u>	<u>28,345</u>
<i>Net income / (expenditure) before transfers</i>		231	(3,281)	(786)	(3,836)
<i>Transfers between funds</i>	13	<u>(168)</u>	<u>—</u>	<u>168</u>	<u>—</u>
<i>Net income / (expenditure) for the year</i>		63	(3,281)	(618)	(3,836)
<i>Other recognised gains and losses</i>					
<i>Actuarial gains (losses) on defined benefit pension schemes</i>	16	<u>—</u>	<u>22,577</u>	<u>—</u>	<u>22,577</u>
<i>Net movement in funds</i>		63	19,296	(618)	18,741
<i>Reconciliation of funds</i>					
<i>Total fund balances brought forward at 1 September</i>		2,066	(22,561)	28,776	8,281
<i>Total fund balances carried forward at 31 August</i>		<u>2,129</u>	<u>(3,265)</u>	<u>28,158</u>	<u>27,022</u>