



# Audit findings report

for the year ended 31 August 2025 for

**Hampton Primary School Academy**

Date of issue: 17 November 2025

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# 1. Introduction

This report has been prepared for the trustees of Hampton Primary School Academy to bring attention to those charged with governance various matters arising from the audit of the academy trust for the year ended 31 August 2025.

Our audit and assurance procedures, which have been designed to enable us to express an opinion on the financial statements and provide a limited assurance conclusion on regularity, have included an examination of the transactions and controls thereon of the company.

The work we have done was not primarily directed towards identifying weaknesses in the company's accounting systems, other than those that would affect our audit or assurance opinions, nor to the detection of fraud. We have, however, designed our audit and assurance procedures in such a way that we felt would increase our chance of detecting any fraud.

We have included in this report only those matters that have come to our attention as a result of our normal audit and assurance procedures and, consequently, our comments should not be regarded as a comprehensive record of all weaknesses that may exist or improvements that could be made.

This report is to be regarded as confidential to the trustees of Hampton Primary School Academy and is intended only for use by them, and the staff of the academy trust. No responsibility is accepted to any other person in respect of the whole or part of its contents. Before this report, or any part of it, is disclosed to a third party, other than to the Department for Education, our written consent must be obtained.

The report is designed to include useful recommendations that may help improve performance and avoid weaknesses that could result in material loss to the academy trust or misstatement of the financial statements and other financial data.

## **Roles and Responsibilities**

The trustees are responsible for the preparation of the financial statements and for making available to us all of the information and explanations we consider necessary. Therefore, it is essential that the trustees confirm that our understanding of all of the matters referred to in this report are appropriate, having regard to their knowledge of the particular circumstances.

## 2. Overview

### **Audit Status and overall opinion**

We set out below the current status of the audit and our timetable to completion.

We have substantially completed our work, and intend to issue an unmodified audit opinion, subject to the trustees approving the financial statements and any other minor outstanding items listed below being received and/or completed.

The follow matters are outstanding at the date of this report:

- Final review and approval by you of the final financial statements;
- A small number of audit information requests
- LGPS pension report
- Post balance sheet events review to the date of signing the financial statements, including review of latest minutes and management accounts; and
- Receipt of signed letters of audit and regularity assurance representations.

## 2. Overview

### **Independence and ethical standards**

We have not identified any potential threats to our independence as auditors. Please see section 3 for further details.

### **Audit scope and objectives**

We set out the scope and objectives of our audit. Please see section 4 for further details.

### **Overall audit strategy**

We set out our overall audit approach in section 5.

### **Key audit and accounting issues**

We have obtained sufficient, appropriate audit evidence for the significant issues and risks identified during our audit.

During our audit we found no instances of fraud or irregularity.

During our limited scope assurance engagement on regularity we did not identify any instances where the trust has not been compliant with the Academy Trust Handbook.

### **Recommendations**

We are required to report to you on the significant deficiencies we found in internal controls during the course of our audit, along with any other deficiencies identified.

## 2. Overview

### Misstatements and adjustments to the accounts

It is considered good practice to inform you of any material misstatements within the financial statements presented for audit that have been discovered during the audit. A material misstatement is one where the auditors believe that the misstatement is such as to affect the reader's understanding of the accounts. Materiality is considered in relation to the value of the misstatement and also its context and nature.

It is generally not practicable to make accounts completely accurate because judgements need to be made and it is difficult to obtain 100% of information about all transactions. Our role is to ensure that deviations from complete accuracy are not material to the reader of the accounts. During the course of our audit we have come up with various proposed adjustments to make the accounts more accurate. We are required by Auditing Standards to inform you of any such adjustments which have not been made, other than those deemed to be clearly trivial. Details of these are given in Appendix III.

We are required to request that you review these adjustments and consider amending the financial statements accordingly, and to confirm your reasons for not making the adjustments, if this is your decision.

### Going concern

The trustees need to give consideration to the level of reserves maintained, and consider going concern for the period to 31 December 2026, being at least 12 months from the approval of the accounts and ensure they agree with the assessment. The trustees have confirmed that they believe the academy trust's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the academy trust's needs.

### Thanks

We would like to take this opportunity to thank the entire finance team and other staff for their co-operation and assistance afforded to us during the course of the audit.

### 3. Independence

Under current UK Ethical Standards we are required as auditors to confirm our independence to “those charged with governance” i.e. the trustees/directors. Our internal procedures are designed to ensure that all partners and professional staff are aware of relationships that may be considered to bear on our objectivity and independence as auditors.

The procedures require that audit engagement partners are made aware of any matters which may reasonably be thought to bear on the firm’s independence and the objectivity of the audit engagement partner and the audit staff.

Our Audit Service Plan report issued before we began our fieldwork sets out the non-audit services we provide, the potential threats, the safeguards in place and why, overall, we do not feel our independence is in any way compromised.

We have not begun providing any new non-audit services since we issued our Audit Service Plan report in September.

Therefore:

**We confirm that we believe there are no relationships between us and you and your related entities creating an actual or perceived threat to our independence. Therefore in our professional judgement, as at the date of this report and based on our knowledge to date, we are independent of the academy trust and our objectivity has not been compromised or impaired.**

**We would be pleased to discuss our independence and objectivity further with you if you so wish.**

## 4. Audit scope and objectives

Our statutory audit of the financial statements is carried out in accordance with International Standards on Auditing (UK), with the aim of forming an opinion whether:

The financial statements give a true and fair view of the state of the academy trust's affairs as at 31 August 2025 and of the academy trust's result for the year then ended.

The financial statements have been properly prepared in accordance with UK GAAP, including FRS 102.

The financial statements have been prepared in accordance with the requirements of the Companies Act 2006, and the Annual Academies Accounts Direction issued by the Department for Education.

The information given in the Trustees' Report for the financial year is consistent with the financial statements.

The academy trust has kept adequate accounting records.

The financial statements are in agreement with the accounting records and returns.

Other information contained in the annual report is not consistent with the audited financial statements.

Certain disclosures of trustees' remuneration specified by law are not made.

We have not received all the information and explanations we require for our audit.

## 5. Overall audit strategy

### **Risk-based audit**

We performed a risk-based audit, focussing our work on key audit areas. We began by developing further our understanding of the trust's activities and the specific risks it faces. We held an initial planning meeting with key management and finance staff to ascertain management's own view of potential audit risk, and to gain an understanding of the trust's activities. We have also developed an in depth understanding of the accounting systems and controls so that we may ensure their adequacy as a basis for the preparation of the financial statements, and that proper accounting records have been maintained.

Our audit procedures were carried out, and then we ensured the presentation and disclosure in the accounts meet all the necessary requirements.

### **Risk-based limited assurance engagement**

In addition to our audit opinion we are also required to perform a limited scope assurance engagement, reporting both to you and to the Department for Education ("DfE"), considering whether the expenditure disbursed and the income received by the trust during the period 1 September 2024 to 31 August 2025 has been applied to the purposes identified by Parliament and that the financial transactions undertaken by the trust conform to the authorities which govern them. This latter point is concerned with looking at compliance with the requirements of the various frameworks that apply to trust, including your memorandum and articles, your funding agreements, the Academy Trust Handbook and Accounts Direction in force for the year, the Charities Act 2011 and the Companies Act 2006.

Our approach was once again risk-based. We began by developing our understanding of the trust's own approach to ensuring the proper application of funds received and to ensuring compliance with relevant legal and contractual frameworks. We developed an understanding of the trust's governance arrangements and internal control procedures, planning our work accordingly to allow us to gain sufficient evidence to give the required limited assurance opinion. Our assurance procedures included reviewing and commenting on the Accounting Officer's Statement on Regularity, Propriety and Compliance, and the trustees' report and governance statement. We also discussed with the Accounting Officer the procedures performed so that he may sign the Regularity report.

# 5. Overall audit strategy

## Significant risks

As part of our audit procedures we are required to consider the significant risks that require special audit attention.

Auditing Standards require us to consider:



The identified significant audit risks were communicated to you in our audit planning report issued before our main fieldwork began. We now note the work performed and conclusions drawn on the following pages:

## 5. Overall audit strategy

Risk	Explanation of the risk	Audit work performed	Conclusion
<p>Revenue recognition  (mandatory significant risk)</p>	<p>There is an inherent risk in all organisations in relation to revenue recognition, i.e. that income may be accounted for in the wrong period. The auditor's responsibility to consider fraud in an audit of financial statements therefore is an assumption that revenue recognition is a fraud risk.</p> <p>Income from grants should be recognised when the conditions of recognition have been satisfied.</p> <p>Income from contractual arrangements should be recognised in the period in which entitlement has been earned through service delivery.</p> <p>Management exercise judgment in determining when income from grants should be recognised.</p> <p>There is also potentially management judgement in the classification of income between restricted and unrestricted funds.</p>	<p>We documented the income systems and carried out audit procedures to gain assurance over the operation of internal financial controls in place to prevent the loss of income and to ensure that income is recorded in the correct period.</p> <p>We discussed with the trustees and your finance staff whether they are aware of any cases of fraud occurring during the year.</p> <p>We also reviewed FGB and Finance Committee minutes.</p> <p>Our audit testing involving sampling income balances and the associated funding agreements, verifying to supporting documentation to ensure income has been recognised in the correct period.</p> <p>We also considered whether income had been correctly classified between restricted and unrestricted funds, reviewing any terms and conditions of, for example, grant income.</p>	<p>We have not identified any significant issues with income recognition.</p>

## 5. Overall audit strategy

Risk	Explanation of the risk	Audit work performed	Conclusion
<p>Management override  (mandatory significant risk)</p>	<p>The trustees and other management have the primary responsibility for the detection of fraud, as an extension of their role in preventing fraudulent activity. Trustees should ensure a sound system of internal controls is in operation to support these, and other, objectives.</p> <p>Auditing Standards presume a significant risk of management override of the system of internal controls.</p> <p>Our audit is designed to provide reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error.</p> <p>We are not responsible for preventing fraud or corruption, although our audit may serve to act as a deterrent.</p>	<p>Management often find themselves in a unique position where potentially could override routine day to day financial controls.</p> <p>Our audit considers this risk and we adapt our procedures accordingly.</p> <p>During our audit we considered the possibility of manipulation of financial results, for example through the use of journals or management estimates, such as provisions and accruals.</p>	<p>Our audit procedures have not identified any instances of management override.</p> <p>All items tested and discussed with management were deemed appropriate.</p>
<p>Valuation and disclosure of the LGPS position and related disclosures required under FRS 102</p>	<p>This is a material provision and accounting estimate to be included with complex disclosures that are subject to a high degree of judgement.</p>	<p>Review the documentation from the actuary and ensure that the assumptions therein are valid and reasonable.</p> <p>Ensure that the correct provision has been made at the end of the period and that all movements and disclosures in the period have been treated correctly.</p>	<p>The basis of the FRS 102 balance appears reasonable, and is in line with that used by other academy trusts.</p> <p>The LGPS valuation report revealed a pension asset position, which is the case for the majority of trusts in 2024/25. The actuarial movement has been restricted to leave a £nil / breakeven position on the Balance Sheet, with appropriate disclosures in note 2.</p>

## 5. Overall audit strategy

Risk	Explanation of the risk	Audit work performed	Conclusion
<p>Regularity and propriety of income and expenditure including ATH compliance</p> <p>(significant risk)</p>	<p>As set out on page 9 we are required to obtain limited assurance about whether the expenditure disbursed and income received by the trust during the financial year have been applied to the purposes intended, and whether the financial transactions conform to the authorities which govern them.</p> <p>The Accounts Direction lists the following matters which apply to the trust which may potentially trigger an increased likelihood of irregularity in an established academy trust:</p> <ul style="list-style-type: none"> <li>• culture (attitude and values) within the academy trust;</li> <li>• a change in accounting officer, principal finance officer or significant changes in the board of trustees;</li> <li>• an expansion of the number of academies within the academy trust; and</li> <li>• changes to the scheme of delegation or major accounting systems.</li> </ul> <p>Regularity also covers compliance with the Academy Trust Handbook which contains a significant number of 'must' requirement which the trust needs to adhere to.</p>	<p>Review of systems in place to ensure that there are financial controls in place that comply with guidelines in the Academies Accounts Direction.</p> <p>We have asked the Accounting Officer to complete a regularity checklist and questionnaire asking for confirmation of compliance with the ATH 'must' requirements. The answers to these were reviewed and, if necessary, discussed with the AO to obtain further explanations. Where necessary the answers were corroborated with other information available to us.</p> <p>An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities.</p> <p>Sample check of transactions, including purchases and salary payments, to source documentation to ensure expenditure incurred for a valid purpose and does not indicate any regularity issues.</p> <p>Review and testing of credit card transactions.</p> <p>We also considered whether income had been correctly classified between restricted and unrestricted funds, reviewing any terms and conditions of, for example, grant income.</p>	<p>We have not been informed of any material control weaknesses or irregularity.</p> <p>Based on our review of the regularity checklist and ATH questionnaire, the work undertaken to verify the responses provided, and our consideration of the regularity and propriety of transactions selected for our sample based testing, we are satisfied that the conclusion reached in our regularity assurance report is appropriate.</p> <p>We have not noted any instances of non-compliance with the ATH which have not been included in section 6 and 7 of this report.</p>



## 5. Overall audit strategy

Risk	Explanation of the risk	Audit work performed	Conclusion
<p>Related and connected parties (significant risk)</p>	<p>We are required to consider if the disclosures in the financial statements concerning related party transactions are complete and adequate and in line with the requirements of the Companies Act 2006 and Academies Accounts Direction. In particular, the Accounts Direction requires that:</p> <ul style="list-style-type: none"> <li>• declarations of business interests have been completed by those in a position to influence the academy trust, including key staff;</li> <li>• contracts with connected parties have been procured following the academy trust's procurement and tendering process;</li> <li>• where contracts are entered into or renewed the academy trust has obtained statements of assurance (confirming no profit element was charged) and the academy trust has followed their internal processes in reviewing this;</li> <li>• the academy trust has requested, under the open book arrangement, a clear demonstration that the charges do not exceed the cost of supply;</li> <li>• governors who provide consultancy services to the academy trust are not receiving a profit for their services and the correct procurement and tendering process is being followed;</li> <li>• no connected party gains from their position by receiving payments under terms that are preferential; and</li> <li>• if employees are providing external consultancy that the income is being received into the academy trust's accounts if the work was performed within normal working hours.</li> <li>• relevant new related party contracts of other agreements entered into have been notified to the DfE in advance, and that pre-approval has been obtained for any such transactions in excess of £40,000 (including cumulatively in the year).</li> </ul>	<p>We discussed with management and reviewed trustee and other senior management declarations to ensure there are no potential related party transactions which have not been disclosed.</p> <p>Internal procedures in place for the identification of related party transactions were reviewed and assessed, and any relevant information concerning any such identified transactions was reviewed.</p> <p>A Companies House search was completed for each of the trustees to identify possible related parties with which the trust may have transacted.</p> <p>We have requested written management representations from you confirming the full disclosure of related party transactions.</p>	<p>Based on the work undertaken, we have not identified concerns over the completeness of related party transaction disclosures.</p> <p>We will also obtain written representations from you, asking the Board and to confirm their satisfaction with the completeness of the disclosures made.</p>

## 6. Status of audit issues raised in prior year

This section updates you on the status of the issues we brought to your attention last year, and confirms whether any further action is required.

See Appendix IV for an explanation of the priority (risk) rating.

	Issue raised in prior year	Priority in 23/24	Solution suggested in prior year	Follow up comments / further action required	Priority now
1.	<p><b>Get Information about Schools (GIAS)</b></p> <p>It is a <b>'must'</b> requirement of sections 2.46 to 2.50 of the Academy Trust Handbook ('ATH') to keep the trust's governance section of the DfE's GIAS up to date.</p> <p>Last year we note that only 7 trustees are listed with the following missing:</p> <ul style="list-style-type: none"> <li>• Y Nunn (although noted as AO, she also needed to be included in the trustee section)</li> <li>• W Phillips (had dropped off the list at the end of his term of office so needed to be added again)</li> <li>• L Shilling (although noted as Chair, he needed to be included in the trustee section as well)</li> <li>• Q Vo</li> </ul>	 <p>Low</p>	<p>We recommended that GIAS was updated as soon as possible to ensure that the trust's governance record with the DfE is up to date.</p>	<p>On review of GIAS, we were able to see that the issues raised last year have been corrected.</p> <p>However, on review of Companies House, we identified that of the five trustee appointment and terminations during the year, only one was filed within the statutory 14 day requirement.</p> <p>It is a <b>'must'</b> requirement (paragraph 2.46 of the ATH) to update both GIAS and Companies House within 14 calendar days of the change.</p> <p>We recommend that all future Companies House and GIAS amendments are made within the statutory time frame.</p>	 <p>Low</p>

## 7. Recommendations for the current year

### Significant deficiencies in internal control

We are required to report to you, in writing, significant deficiencies in internal control that we have identified during the audit. These matters are limited to those which we have concluded are of sufficient importance to merit being reported to you. As the purpose of the audit is for us to express an opinion on the trust's financial statements, you will appreciate that our audit cannot necessarily be expected to disclose all matters that may be of interest to you and, as a result, the matters reported may not be the only ones which exist. As part of our work, we considered internal control relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

**We confirm that we have not identified any significant deficiencies in internal control during the current year audit.**

We did, however, note some areas where minor improvements could be made and these are listed later in this report.

We are also required to communicate other significant audit findings such:

- where we consider a significant accounting practice, that is acceptable under the applicable financial reporting framework, not to be most appropriate in the particular circumstances of the entity;
- significant difficulties, if any, encountered during the audit; or
- other matters, if any, arising from the audit that, in our professional judgement, are significant to the oversight of the financial reporting process are communicated to those charged with governance.



**We confirm that we have nothing to report to you in any of the above three areas.**

## 7. Recommendations for the current year


### Other comments

We also bring to your attention other deficiencies in internal controls together with any other issues that came to our attention during our work.

Please see Appendix IV for basis of risk ratings.

	Priority	Area	Observation and implication	Recommendations	Management response
1.	 Low	<b>Budget Forecast Return (BFR)</b>	<p>During the audit, we noted a slight discrepancy between the brought forward revenue and capital reserves and the signed 2024 financial statements.</p> <p>The use of incorrect opening balances may result in unreliable budgeting and financial planning.</p>	<p>We recommend that when preparing the 2026 BFR care is taken to ensure that the opening balances are in agreement with the audited financial statements .</p>	<p>Any discrepancy in opening balances on BFR to be updated prior to submission.</p>
2.	 Low	<b>Business interest register</b>	<p>As part of our audit, we review the business interest register against the related party questionnaires provided as well as other known information (i.e Companies House).</p> <p>For three trustees, the business interest register did not include all of their directorships/trusteeships.</p> <p>We also noted that the business interest register did not include one member of the key management personnel.</p> <p>Incomplete business interest register may result in the finance team being unaware of potential related party transactions which could in turn lead to inadequate disclosures in the financial statements.</p>	<p>We understand that the internal business interests register was updated in July 2025 for the changes, but the academy trust's website still publishes the November 2024 version.</p> <p>We recommend the business interests register is reviewed and updated regularly ensuring all trustees and key management personnel are included and all relevant directorships/appointments and other interest are disclosed.</p>	<p>Register of Business Interests on website to be updated following November 2025 FGB meeting.</p>

## 7. Recommendations for the current year

	Priority	Area	Observation and implication	Recommendations	Management response
3.		<b>Number of members</b>	Section 1.3 of the Academy Trust Handbook states “the academy ‘ <b>must</b> ’ have at least three members, but should have five or more.” The academy currently has 3 members, which is not breaching the ATH, however, is below the recommended amount.	We recommend an additional two members are sought and appointed as soon as possible to bring the number of members up to the recommended amount.	The Board are aware that there are 3 Members of the Trust, the minimum allowed.

## Appendix I – Agreed accounting adjustments

A number of adjustments have been agreed with your key management:

	Amount (£)	Effect on net position (£)
<b><i>Adjustments in relation to pension scheme</i></b>		<b>£</b>
<u>LGPS pension liability</u>		
- Actuarial movement in LGPS liability in the period		(78,000)
- Other FRS 102 pension costs (charged to staff costs for the period)		78,000
		<hr/> -
<b><i>Audit adjustments</i></b>		
Rounding on opening funds	1,000	1,000
Capitalisation of Inspire Roofing invoice	3,000	3,000
		<hr/> 4,000
<b>Reconciliation between accounting system and financial statements</b>		
Net surplus/(loss) per FMS		(181,000)
UHY adjustments re LPGS movement		-
Other adjustments		4,000
Net movement in funds per Statement of Financial Activities		<hr/> (177,000)

## Appendix II – Summary of financial performance and position

### Financial performance

Based on the audited financial statements, **the trust's total reserves decreased by an amount of £177k** (2024: £181k) during the year. This total movement on funds is shown in the main statutory financial statements on the Statement of Financial Activities.

To reach the result on revenue funds it is necessary to exclude movements on tangible fixed assets and the LGPS defined benefit pension liability. **The trust's revenue funds decreased by £9k during the year** (2024: £9k). The operational result prior to any revenue to capital transfers is also shown:

		2025 (£000s)	2024 (£000s)	2023 (£000s)
Overall net movement in funds for the year per SOFA		(177)	(181)	365
Decrease / (increase) attributable to fixed asset fund	See A	168	172	(71)
LGPS actuarial (gain)/loss	See B	(833)	19	(542)
LGPS service and interest costs	See B	(78)	(83)	40
Adjustment for restriction on pension asset	See C	911	64	175
<b>Movement in revenue funds during the year</b>		<b>(9)</b>	<b>(9)</b>	<b>(33)</b>
Add: Transfers from revenue to capital to fund fixed asset additions		9	28	260
<b>Operational surplus /(deficit) on revenue funds before transfers to capital</b>		<b>-</b>	<b>19</b>	<b>227</b>

**Note A** - The movement on restricted fixed asset funds comprises capital grant income received during the year less depreciation charged on capitalised assets purchased from such funds. Since these do not relate to day-to-day operational matters the movement on fixed asset funds is excluded from the operational result.

**Note B** - The Balance Sheet carries the trust's share of the surplus or deficit on the Local Government Pension Scheme. A detailed report has been prepared by an actuary detailing the movement during the year. The movement is in two parts: (1) the actuarial gain or loss relates to movement linked to the assumptions made by the actuary, (2) other movements comprising (i) net interest costs (ii) current service costs - the value of benefits accrued by members over the accounting period less contributions paid.

**Note C** - This is the restriction included each year to leave an overall £nil LGPS position on the Balance Sheet.

## Appendix II – Summary of financial performance and position

### Financial position

The Balance Sheet summarises the financial position of the trust at 31 August and a more detailed split is contained in the Statement of funds note within the financial statements.

The table below highlights the key numbers you should be aware of and the prior year comparatives:

		2025 (£000s)	2024 (£000s)
<b>Total funds</b>		<b>6,276</b>	<b>6,453</b>
<b>Split between:</b>			
<b>Revenue income funds</b>	Restricted funds	-	-
	Unrestricted funds	547	556
<b>(1) Total revenue income funds</b>		<b>547</b>	<b>556</b>
<b>(2) LGPS pension reserve</b>		<b>-</b>	<b>-</b>
<b>Restricted fixed asset funds</b>	Net book value of fixed asset	5,727	5,897
	Unspent capital grant money	2	-
<b>(3) Total fixed asset funds</b>		<b>5,729</b>	<b>5,897</b>

# Appendix II – Summary of financial performance and position

## Key disclosures and other information in the statutory accounts

**Trustees' report financial review.** The financial review and financial position sections of the trustees' report narrative provide a detailed explanation of the financial performance in the year.

**Reserves.** This section of the trustees' report compares the financial position and funds held against your reserves policy.

**Related party disclosures.** This note discloses any related party transactions taking place during the year, and also discloses whether any close family of any trustee, member or senior management work for the trust.

**Going concern.** Accounting policy 1.2 explains why trustees have concluded that the use of the going concern basis to prepare the financial statements is appropriate.

**Critical judgements and estimates.** Note 2 of the financial statements explains any key judgements made by you during the preparation of the financial statements. For 2024/25 the key judgement is the acceptance of the standard assumptions proposed by the actuary when preparing their pension valuation report.

## Benchmarking of key ratios

In early 2025 we will be preparing our 13<sup>th</sup> annual benchmarking report for academies. Once this has been published we will provide our academy clients with a personalised report comparing their key ratios against appropriate averages including:

- Staff to pupil ratios
- GAG result
- Income per pupil
- Staff costs per pupil and as a percentage of total expenditure
- Cash balances per pupil
- Reserves per pupil

Our last benchmarking report covered over 1,450 academies and we anticipate our report based on 2023/24 results will cover even more.

## Appendix III – Unadjusted audit differences

We are required to bring to your attention audit adjustments that the trustees are required to consider. A schedule of any such adjustments is included below.

**This year there are no unadjusted audit misstatements since it has been agreed with you that all identified differences have been adjusted for and included in the final financial statements. These agreed adjustments are listed in Appendix I.**

# Appendix IV – Basis of risk / priority ratings

Throughout the report the following risk ratings are used for individual issues:



High

Serious concern such as:

- significant impact on operational performance;
- a major failure of your internal control processes and/ or imminent risk to academy funds. Action needs to be taken to ensure this risk is managed.
- significant monetary or financial statement impact ;
- breach in laws and regulations that could result in material fines or consequences, for example a breach of the Academy Trust Handbook.



Med

Medium concern. Less significant failure of internal control processes or the other bullet points listed under High Risk, but where the finding would have only a moderate impact.



Low

Low level concern. Minor issues relating to immaterial items or more isolated failures where little on-going risk arises.



Advisory only. This point has been raised merely to bring something to your attention, for example to highlight areas of inefficiencies or good practice.

# Appendix V – Emerging and topical issues for academies

## 2025 Academy Trust Handbook (ATH)

The 2025 ATH is already active. Some of the main changes to note are briefly summarised below:

- Digital and technology standards. Trusts should have an understanding of the extent to which they are meeting DfE’s [digital and technology standards](#) and be working towards meeting the following 6 core standards by 2030: [Broadband internet](#), [Network switching](#), [Wireless network](#), [Cyber security](#), [Filtering and monitoring](#), [Digital leadership and governance](#)
- Estates management. Further guidance on estates management (1.20), which explains that the DfE expects academy trusts to manage their school estate strategically and effectively and maintain their estate in a safe working condition. This includes complying with statutory duties to ensure the health and safety of building occupants.
- Updated list of Accounting Officer duties (1.32)
- Managing Public Money (1.37) – more information is provided with links to relevant sections of Managing Public Money regarding the AO’s duty to raise concerns.
- Procurement (2.24 – 2.26) – further guidance and support on what is required and what is considered best practice in this important area.
- Clarifying the role of the board in setting executive pay (2.27 & 2.30). Trusts must ensure its decisions about levels of executive pay follow a robust evidence-based process and are a reasonable and

defensible reflection of the individual’s role and responsibilities.

- Cyber ransomware demands. Confirmation that trusts must not pay any cyber ransomware demand, since the DfE supports the National Crime Agency’s recommendation not to encourage, endorse, or condone the payment of ransom demands. Payment of ransoms has no guarantee of restoring access or services and is likely to result in repeat incidents.

## Climate and sustainability reporting

In September UHY hosted a webinar “Building a Greener Future” for academy trusts. This brought together sustainability leads, education professionals, and trust leaders to explore how schools can meet the Department for Education’s (DfE) climate goals while inspiring the next generation of changemakers.

A recording of the webinar and the key takeaway can be found on our website [here](#).

More can be found explaining how school governors can prepare for climate action plans [here](#).

## Strong governance & board reporting

Our recent [academy insight](#) explored how new DfE guidance and the Academy Trust Governance Guide stress the importance of concise and strategic reporting that enables trustees to hold leaders accountable and focus on long-term priorities.

## Key financial deadlines for 2025/26

A calendar of key financial deadlines for academy trusts for 2025/26 can be found [here](#).

## Getting the budget and BFR approved smoothly

Academy trust boards are required to approve both their annual budget and the Budget Forecast Return (BFR) before submission to the DfE. [Our insight](#) explains how trusts can streamline approvals by recording key budget decisions in July and delegating BFR sign-off, ensuring compliance while avoiding unnecessary board reconvening.

## Internal scrutiny – a key to financial health

Academy trusts are being urged to view internal scrutiny as a strategic enabler. With growth stretching financial systems, a robust and risk-led scrutiny programme can give boards the assurance they need to manage risk, standardise processes and strengthen governance. [Here](#) we explore why it matters and some best practice tips.

## Should academy trust CEOs and other executive staff be members of the Teachers’ Pension Scheme?

[Recent discussions](#) have raised concerns about whether Trust CEOs and central team staff are eligible for the Teachers’ Pension Scheme (TPS). With regulations requiring a “predominantly teaching role” but lacking a clear definition, academy trusts must ensure compliance to avoid future financial liabilities.

## Fraud and financial

[Our Insight](#) explores the Department for Education’s updated guidance on how academy trusts should report fraud and financial irregularity, alongside new expectations outlined in the 2025 Academy Trust Handbook.

