

Company Registration Number: 07540811 (England & Wales)

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

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THE SOUTHWATER INFANT ACADEMY
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	D Smith M Richards D Dowling
Trustees	C Quinlisk, Chair of Trustees (resigned 18 July 2025) P Buckley I Bridges (appointed 16 October 2024, resigned 21 September 2025) C Cavallo N Flower (resigned 18 July 2025) H Lorne (appointed 16 October 2024) R Spratley (appointed 17 October 2024, resigned 12 June 2025) K Tyrrell (resigned 18 July 2025) K Yardley-Turpin
Company registered number	07540811
Company name	The Southwater Infant Academy
Principal and registered office	Worthing Road Southwater West Sussex RH13 9JH
Chief executive officer	C Cavallo
Senior management team	C Cavallo, Head Teacher M White, Deputy Head Teacher
Independent auditor	TC Group Statutory Auditors One Bell Lane Lewes East Sussex BN7 1JU
Bankers	HSBC plc 6 West Street Horsham West Sussex RH12 1PE
Solicitors	Browne Jacobson Mowbray House Castle Meadow Road Nottingham NG2 1BJ

THE SOUTHWATER INFANT ACADEMY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2024 to 31 August 2025. The annual report serves the purposes of both a Trustees' report, and a directors' report and strategic report under company law.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

The trust operates an academy for pupils aged 4 years to 7 years, serving a catchment area in Southwater and the surrounding area. It had a pupil capacity of 360 and a roll of 268 in the school census in Autumn 2024.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the Academy.

The Trustees of The Southwater Infant Academy are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Southwater Infant Academy.

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

b. Members' liability

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

c. Trustees' indemnities

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

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

- The Head Teacher
- A minimum of 2 Parent Trustees
- Co-opted Trustees
- Up to 3 Trustees appointed by the Members
- Any Trustees appointed by the Secretary of State for Education

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

e. Policies adopted for the induction and training of Trustees

During the period under review the Trustees held 10 Circular Board meetings. The training and induction provided for new Trustees depended on their existing experience. Where necessary an induction provided training on charity and educational legal and financial matters.

All new Trustees were given a tour of the Academy and the chance to meet with staff and students.

All Trustees were provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they need to undertake their role as Trustees.

f. Organisational structure

The charitable company has established a management structure to enable its efficient running. The structure consists of two levels; Trustees and the Executive who are the senior leadership team.

The body of Trustees decided that the role of the Trustees is to approve the strategic direction and objectives of the charitable company and monitor its progress towards these objectives.

The body of Trustees approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference.

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

The Head Teacher fulfils the accounting officer role.

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

The academy has a Pay Policy in place which is reviewed annually. In line with this policy, key management personnel have an annual appraisal, the report of which contains recommendation on pay progression if that is possible. The Headteacher is responsible for submitting any recommendations for pay progression, in accordance with the relevant sections of the Pay Policy, to the Board of Trustees for approval.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Objectives and activities

a. Objectives, strategies and activities

The principal objective and activity of the Academy is the operation of The Southwater Infant Academy to provide a broad and balanced education for pupils of all abilities in the Southwater area. The Trustees refer to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the Academy.

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

The Academy undertook self-evaluation activities to correctly identify objectives for the year 2024/2025. The objectives covering continuing development priorities were:

Review Learning Powers and Metacognition across the academy and how these support Behaviour for Learning

New Learning Powers were launched across the school in Spring 2025. A whole school assembly was held to introduce the new style learning powers and remind children of what they represented. A PowerPoint of the Assembly slides was shared with teaching staff to enable follow up and continued promotion in class.

To aid metacognition and provide structured and explicit teaching time, the following strategies were used:

- Daily reconnects to revisit, revise and aid learning.
- Widgets used to provide additional visual support for learning.
- PSHE sessions planned to develop self-awareness, self-regulation and problem-solving skills.
- Increased opportunities for practical learning to engage children and encourage team building and communication skills; circle times and working together in table groups.

Outcomes

EYFS 90% (84% in 2024)

Year 1 88% met (75% in 2024)

Year 2 80% met (78% in 2024)

Revise assessment across the curriculum

Opinions were sought across the staff team on previous assessment systems and proposed assessment changes. Suggestions regarding improvements to tracking of all areas of learning, and a more holistic and 'whole child' approach to assessment were shared. Consideration was given to workload to ensure there was no negative impact on staff.

Discussions were held with Insight, the academy assessment tracking provider, to enable a clear understanding of what was possible regarding any potential changes, and to ensure assessment would continue to be robust and effective.

A parent forum was held to share the proposed changes, and to gain feedback. This included the changes to pupil reports that would result from the assessment changes. Feedback was positive and suggestions were taken on board. The changes were also discussed with the academy's School Improvement Partner to ensure the proposed assessment system would be effective.

An online meeting was held with Insight to arrange for changes to be made to the online tracker, and to ensure it met the needs of the academy. Once this had been built, a staff meeting was held with Insight to demonstrate the changes, and how to input and use assessment data.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Objectives and activities (continued)

Pupil report templates were revised and shared with staff, and training provided to support their completion.

Outcomes from the changes are:

- Wider curriculum now assessed via KS1 learning goals and allows tracking of progress from EYFS
- Successful translation of data to new parent report
- Positive parental feedback on wider and more holistic assessment
- Streamlined and reduced teacher workload for reports but with increased curriculum and assessment information
- Teacher feedback positive about the reduced workload from pupil report changes
- Wider curriculum assessment has now been incorporated into the SIA Curriculum document

Improving outcomes in Reading and Writing, with a particular emphasis on children achieving Greater Depth

Following discussion with other schools regarding early reading and writing, the academy investigated introducing Drawing Club into EYFS to improve children's enjoyment and engagement. The English Lead attended Drawing Club training, and visited local schools where Drawing Club had been implemented. Feedback from teachers using Drawing Club was very positive, and it was possible to see children in other settings engaging well and making good progress in writing.

The Writing Lead met with the EYFS teachers to discuss the use of Drawing Club, and arranged for teachers to undergo training. EYFS teachers also visited other schools to see Drawing Club being used, enabling them to ask questions and clarify understanding of how it worked.

Support was then provided by the Writing Lead to introduce Drawing Club into EYFS. Appropriate texts were identified to support reading and stimulate writing. Teachers planned together to ensure consistency, and adaptations were made to ensure it met the needs of children at the academy. A phased approach was taken, with Drawing Club being carried out twice a week initially, then moving to three or four days a week.

Early indications show children excited about doing Drawing Club, and more children engaging with writing. More time and further analysis of outcomes will be needed to evaluate its success.

Future plans are to continue with Drawing Club to enable this to be embedded securely across EYFS, and to investigate rolling it into Year 1 to continue improvements.

Outcomes for Reading in EYFS:

EYFS – 75% Expected

95% of children making at least expected progress, and 23% making rapid progress.

Outcomes for Writing in EYFS:

EYFS – 75% Expected

95% of children making at least expected progress, and 21% making rapid progress.

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

b. Public benefit

In setting the objectives, the Trustees have considered the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The Academy makes best use of its skills, expertise and experience with regards to the community.

Some examples of this are:

- Raising money for local, national, and international charities
- Providing community events such as the Southwater Scarecrow Trail, and the Christmas Fair
- Giving the opportunity for work experience to local Secondary school and College pupils

Achievements and performance

a. Key performance indicators

The Academy set a balanced budget. It's net current assets at 31 August 2025 were £447,777. The Academy will continue to operate with sufficient balances so as to continue the high standard of education offered to its students.

The achievement and performance of learners

A continued focus on Quality of Education was kept over the year to ensure that outcomes continued to improve. Baseline assessments were used to identify areas to focus on and where more targeted support was needed for individual children. Formative assessment was then used during the academic year, with same day intervention used to help children keep up in core subjects.

Revisions to academy assessment were introduced, with an increased focus on the whole child when making assessment judgements. This also led to changes in the format of Pupil Reports to parents, enabling a more inclusive report to be provided that celebrated achievement and success beyond Reading, Writing and Maths.

Following on from concerns noted the previous year regarding children struggling to engage with writing and not enjoying taking part in writing activities, research was carried out into successes that had been achieved at other schools. As a result, Drawing Club was identified as an activity that had shown success across a number of schools. This was implemented into EYFS, with initial positive indications, however more time will be needed to fully embed this and review its success.

To support Behaviour for Learning, Learning Powers were relaunched and greater focus placed on them throughout all areas of learning. The academy also created two new Cover Supervisor Roles, which provided pastoral support for key individuals across the academy. This enabled more focussed and individual support to be provided to help children and ensured that disruption in classes was reduced.

End of EYFS Results – July 2025

The Reception Baseline assessment was carried out at the start of the year, which provided a summary for teachers to enable them to make internal baseline assessments. The data from this showed a particularly low starting point for the year group, with only 18% of children meeting expectations for GLD at this point. At the end of the year the GLD for EYFS was below that of the provisional County and National figures, however the progress made by the EYFS children was very rapid and demonstrated excellent outcomes from teaching and learning.

GLD at end of EYFS

SIA 65% (County 68%, National 68%)

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Achievements and performance (continued)

End of Key Stage 1 Results – July 2025

End of Key Stage teacher assessments were carried out at the end of the year. Due to changes in assessment requirements, there is no longer comparative data available for County and National. The Year 2 group had a high level of high needs children, which impacted the outcomes overall. This was cohort specific rather than a data trend.

The analysis of internal monitoring has highlighted the following:

Reading

- Expected Standard **SIA 72%**
- Greater Depth **SIA 9%**

Reading outcomes show a real strength in meeting year group expectations.

Writing

- Expected Standard **SIA 44%**
- Greater Depth **SIA 3%**

Writing outcomes are lower than last year, mainly due to the high additional needs of the year group. Writing will continue to be a key focus over the coming academic year to ensure that outcomes continue to improve, with strategies already implemented into EYFS.

Maths

- Expected Standard **SIA 75%**
- Greater Depth **SIA 17%**

Maths expectations show a strength in Greater Depth, reflecting the embedded Maths Mastery programme.

Science

- Expected Standard **SIA 91%**

Phonics Screening Check

The Phonics Screening was carried out in June 2025 for all Year 1 children, and for those Year 2 children who did not pass last year.

Outcomes for Phonics Screening:

Year 1 **81%** (County 79%, National 80%) Year 2 - **88%** (National 89%)

The outcomes for both Year 1 in phonics are excellent, and reflect the quality of teaching and learning in this area.

To be introduced in 2025/2026

- To improve all pupils' spoken language, vocabulary acquisition, and communication skills across the curriculum
- To further improve outcomes in Reading, including phonics, word fluency, comprehension
- To further improve outcomes in Writing, focusing on transcription and composition
- Further improve whole school behaviour, across all levels, using a relational approach

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Achievements and performance (continued)

b. Going concern

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

Financial review

Restricted fund expenditure, including depreciation charges, totalled £1,885,876 of which £1,416,073 related to directly employed staff. Total income received was £1,766,754.

Expenditure exceeded income by £119,122. Excluding depreciation charges, expenditure was £40,209 less than income.

Most of the Academy's income is obtained from the Department of Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. A breakdown of grants received from the DfE during the year ended 31 August 2025 and the associated expenditure are shown as restricted funds in the statement of financial activities. The way that these resources have been utilised to support the education and development of pupils is described in the annual report.

During the year, DfE and local authority revenue grants received totalled £1,626,421. The Academy also received grants of £7,161 for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2019), such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The Academy spent £24,611 on fixed assets during 2024/25.

A breakdown of grants received from the DfE during the period ended 31 August 2025 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Trustees received financial progress reports throughout the year and compared expenditure against the budget set at the beginning of the year and submitted to the Department of Education. Trustees also reviewed longer term financial projections and will consider options to organise resources most effectively to fulfil the aims of the Academy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

a. Reserves policy

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

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

The total of all funds at 31 August 2025 was £3,447,122. this balance comprises unrestricted funds of 500,603, restricted general funds of £(51,888) and restricted fixed asset funds of £2,998,407.. The amount of designations made in relation to the unrestricted reserves totals to nil.

Excluding fixed asset funds, total reserves were £448,715 at 31 August 2025

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. A surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Academy Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Academy Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future.

Overall, the Academy has a healthy balance sheet and cash flow. Reductions in pupil numbers will have a significant impact on Government funding. The Academy is also aware of funding pressures such as nationally agreed pay increases and the impact of inflation on supplies and services. The Academy will have to utilise some of its reserves but will seek to maximise income opportunities and reduce expenditure in order to maintain a prudent level of reserves.

b. Investment policy

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

No investments were held at 31 August 2025.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

c. Principal risks and uncertainties

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

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

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

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

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

Fundraising

The Academy engages in fundraising throughout the academic year working with an active Parent & Teacher Fundraising Association, both for specific projects and to augment the annual education budget. During the year the academy ran a number of fundraising events, including a Christmas Card fundraiser, Easter Raffle and the Mini Marathon. The income and expenditure pertaining to all fundraising activities (including the allocation of funds) is independently reviewed by the Responsible Officer, who reports findings directly to the Board of Trustees. In addition to this, the PTFA ran additional fundraising events, such as a Scarecrow Trail, and Christmas Fair and Summer Fair.

Plans for future periods

To reflect the increasing needs at the academy, a revised provision is planned for 2025/2026 to ensure that key children receive the appropriate level of support that is right for them.

The key targets for 2025/26 are;

- To improve all pupils' spoken language, vocabulary acquisition, and communication skills across the curriculum
- To further improve outcomes in Reading, including phonics, word fluency, comprehension
- To further improve outcomes in Writing, focusing on transcription and composition
- Further improve whole school behaviour, across all levels, using a relational approach

Funds held as custodian on behalf of others

The Academy Trust and/or its Trustees did not act as custodian trustee during the current or previous period.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

The auditor, TC Group, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 9 December 2025 and signed on its behalf by:



P Buckley
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Guide.

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, 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 Southwater Infant Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 10 times during the year.

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

Trustee	Meetings attended	Out of a possible
C Quinlisk	9	10
P Buckley	9	10
C Cavallo	10	10
N Flower	5	10
H Lorne	6	8
R Spratley	2	7
K Tyrrell	7	10
K Yardley-Turpin	7	10

The Audit & Risk Committee is also a sub-committee of the main Board of Trustees.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Cavallo	3	3
P Buckley	3	3
C Quinlisk	2	3
H Lorne	2	2
N Flower	1	3
K Tyrrell	2	3
R Spratley	0	1
K Yardley-Turpin	1	3

Trustees are asked to declare any interests at the start of each meeting. Details of Members and Trustees on the Academy's website also includes relevant interests.

The Trustees of the Academy work alongside of the Senior Leaders of the school to ensure the Vision and Ethos are developed and delivered. We are striving to nurture and develop our children from their own starting points to grow creative global citizens that aspire and achieve. To achieve this, we use a creative curriculum, to support the development of core skills that are enriched with memorable experiences and opportunities.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

In 2024/25 the Academy committee structure was:

- Circular Board comprising all Trustees. The Members also attend the Annual Meeting.
- Audit and Risk, chaired by Peter Buckley, with delegated responsibility for financial governance and compliance, including authorisation of the annual budget statement and internal audit.

The Trustee Board reviewed both the Vision and Ethos, as well as the Values, and determined that these continue to reflect the culture of the school and remain relevant. Trustees and Senior Leaders worked jointly to agree and determine the Academy Improvement Plan, which outlines the key areas of focus for 2024-25.

Monitoring is aligned with the school priorities, determined through the Academy Improvement Plan. Monitoring for this year has included:

New Assessment systems

Reading and Writing

Cover Supervisor roles and support for SEND

Safeguarding, to include the Single Central Record

SEND

Health and safety

Website

All Trustees have nominated areas or subject areas, and monitoring covers a range of data, school and pupil visits, as well as updates from subject leaders. Trustees report findings to the wider board, to ensure all our board members have a strategic overview of the school, enabling challenge and questioning to be relevant and informed.

The headteacher performance review has been completed, with support from our external advisor to ensure robust targets are set and reviewed. These targets are then cascaded through the school as appropriate to ensure the strategic direction is understood and a key focus across all academy roles and levels. Targets are linked, where appropriate, to pupil progress and attainment. The pay committee met and approved pay recommendations, ensuring processes are fair and in line with local and national guidelines.

As with many schools, budgets continue to be tight. Trustees are closely monitoring all expenditure, both short and longer term through the budget process. The Business Manager attends board meetings to enable detailed discussion and questions to be asked. Looking at the longer-term financial security of the school is a key priority for Trustees, and explorations of existing and planned local multi academy trusts are taking place to ensure Trustees are well placed to make informed decisions at the appropriate time.

The Risk Register was also reviewed and agreed, with this process ensuring all Trustees are aware of the key risk factors impacting the academy. The internal audit process is guided by the risk register, to ensure key areas are reviewed.

Trustees continue to review and ratify policies to ensure these remain relevant, up to date, and are in place to support both staff and pupils at the school. Key policies, such as well-being and behaviour, continue to be monitored to ensure the best possible outcomes.

Focus for 2025-26

Continuing to focus on the longer-term financial security of the academy

Look to bolster numbers of Trustees to ensure robust challenge and adequate range of skills

Look to increase the number of Members from 3 to 5 to ensure sustainability.

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- using internal staff to cover supply or absence whenever possible, reducing the cost of agency or additional staff.
- support for children at risk of falling behind was provided using the Pupil Premium Grant. The Pupil Premium Trustees ensured the funding was spent appropriately and benefitted the pupils involved. Targeted individual and small group support ensured we achieved improvements in progress for these children, and will be continued into next year.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Southwater Infant Academy for the year 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has decided not to appoint an internal auditor. However, the Trustees have appointed P Buckley, a Trustee, to carry out a programme of internal checks.

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

- Lettings
- Health & Safety
- Implementation of Windows 10

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

The agreed schedule of work has been delivered as planned. No material control issues were identified as a result of the work undertaken.

Review of effectiveness

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

- the work of the reviewer;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;

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

Conclusion

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

Approved by order of the members of the Board of Trustees on 9 December 2025 and signed on their behalf by:



P Buckley
Chair of Trustees



C Cavallo
Accounting Officer

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Southwater Infant Academy, I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the trust's funding agreement with DfE, and the requirements of the Academy Trust Handbook, including responsibilities for estates safety and management. I have also considered my responsibility to notify the academy trust board of trustees and DfE of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management.

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

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

Cisti Cavallo

C Cavallo
Accounting Officer
Date: 9 December 2025

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2025

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

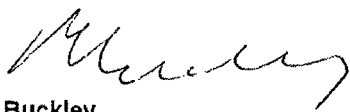
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 9 December 2025 and signed on its behalf by:


P Buckley
Chair of Trustees

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
SOUTHWATER INFANT ACADEMY**

Opinion

We have audited the financial statements of The Southwater Infant Academy (the 'academy') for the year ended 31 August 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025 issued by the Department for Education.

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 Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
SOUTHWATER INFANT ACADEMY (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
SOUTHWATER INFANT ACADEMY (CONTINUED)**

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:

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, Charities SORP (FRS 102), Academies Accounts Direction 2024 to 2025 issued by DfE, Companies Act 2006, Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
SOUTHWATER INFANT ACADEMY (CONTINUED)**

regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an 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 Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

Nicholas Rawson (Senior statutory auditor)

for and on behalf of
TC Group

Statutory Auditors

Office: Lewes

9 December 2025

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
SOUTHWATER INFANT ACADEMY AND THE SECRETARY OF STATE FOR EDUCATION**

In accordance with the terms of our engagement letter dated 15 September 2024 and further to the requirements of the Department for Education (DfE) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by The Southwater Infant Academy during the year 1 September 2024 to 31 August 2025 have not been applied to the purposes identified by Parliament and that the financial transactions do not conform to the authorities which govern them.

This report is made solely to The Southwater Infant Academy and the Secretary of State for Education in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Southwater Infant Academy and the Secretary of State for Education 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 Southwater Infant Academy and the Secretary of State for Education, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Southwater Infant Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Southwater Infant Academy's funding agreement with the Secretary of State for Education dated 30 June 2011 and the Academy Trust Handbook, extant from 1 September 2024, 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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
SOUTHWATER INFANT ACADEMY AND THE SECRETARY OF STATE FOR EDUCATION (CONTINUED)**

Approach

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

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

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

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

Our normal audit procedures do provide assurance with regard to the regularity engagement, however some additional testing has been undertaken. This included:

- direct consideration and corroboration of evidence used to inform the Accounting Officer's statements;
- extension of procedures to assess compliance with the funding agreement and Academies Financial Handbook from those already performed as part of the audit;
- consideration of whether expenditure outside of the academies delegated authorities (if any) has received departmental approval;
- evaluation and assessment of the operating effectiveness of the general control environment and operational level which are intended to reduce the risk of irregularity;
- assessment of the adequacy of policies and procedures to ensure compliance with the framework of authorities;
- consideration of whether the absence of a control (if any) represents a breach of authorities;
- review of accounts or transactions susceptible to a greater risk of impropriety such as credit cards and cash accounts;
- extension of testing to other funds, activities conducted, consideration of propriety, or the review of high level financial controls.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
TC Group

Statutory Auditors

Date: 9 December 2025

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:						
Donations and capital grants	3	55,904	-	7,161	63,065	32,260
Other trading activities	5	55,612	-	-	55,612	26,846
Investments	6	5,656	16,000	-	21,656	15,895
Charitable activities	4	-	1,626,421	-	1,626,421	1,602,472
Total income		117,172	1,642,421	7,161	1,766,754	1,677,473
Expenditure on:						
Raising funds		19,175	-	-	19,175	16,921
Charitable activities	8	32,589	1,755,199	78,913	1,866,701	1,749,408
Total expenditure	7	51,764	1,755,199	78,913	1,885,876	1,766,329
Net income/(expenditure)		65,408	(112,778)	(71,752)	(119,122)	(88,856)
Transfers between funds	17	-	(19,325)	19,325	-	-
Net movement in funds before other recognised gains/(losses)		65,408	(132,103)	(52,427)	(119,122)	(88,856)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	25	(26,000)	-	-	(26,000)	(17,000)
Net movement in funds		39,408	(132,103)	(52,427)	(145,122)	(105,856)

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	Total funds 2024 £
Reconciliation of funds:					
Total funds brought forward	435,195	106,215	3,050,834	3,592,244	3,698,100
Net movement in funds	39,408	(132,103)	(52,427)	(145,122)	(105,856)
Total funds carried forward	474,603	(25,888)	2,998,407	3,447,122	3,592,244

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 29 to 52 form part of these financial statements.

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07540811

BALANCE SHEET
AS AT 31 AUGUST 2025

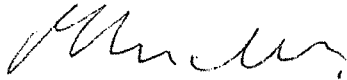
	Note	2025 £	2024 £
Fixed assets			
Tangible assets	14	2,999,345	3,053,647
Current assets			
Debtors	15	70,367	35,555
Cash at bank and in hand		575,422	649,629
		<u>645,789</u>	<u>685,184</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(198,012)	(146,587)
Net current assets		<u>447,777</u>	<u>538,597</u>
Total assets less current liabilities		<u>3,447,122</u>	<u>3,592,244</u>
Net assets excluding pension asset		<u>3,447,122</u>	<u>3,592,244</u>
Total net assets		<u><u>3,447,122</u></u>	<u><u>3,592,244</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	2,998,407	3,050,834
Restricted income funds	17	(51,888)	106,215
Total restricted funds	17	<u>2,946,519</u>	<u>3,157,049</u>
Unrestricted income funds	17	500,603	435,195
Total funds		<u><u>3,447,122</u></u>	<u><u>3,592,244</u></u>

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07540811

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2025

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

The financial statements on pages 24 to 52 were approved by the Trustees, and authorised for issue on 09 December 2025 and are signed on their behalf, by:



P Buckley
Chair of Trustees

The notes on pages 29 to 52 form part of these financial statements.

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	19	(60,538)	(32,802)
Cash flows from investing activities	21	(11,794)	1,064
Cash flows from financing activities	20	(1,875)	(1,875)
Change in cash and cash equivalents in the year		(74,207)	(33,613)
Cash and cash equivalents at the beginning of the year		649,629	683,242
Cash and cash equivalents at the end of the year	22, 23	575,422	649,629

The notes on pages 29 to 52 form part of these financial statements

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Academies Accounts Direction 2024 to 2025 issued by DfE, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the academy. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

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

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **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.

• **Other income**

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

1.4 Expenditure

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

• **Expenditure on raising funds**

This includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

• **Charitable activities**

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

THE SOUTHWATER INFANT ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- 125 years
Improvements to leasehold properties	- 10 - 30 years
Plant and machinery	- 5 - 10 years
Computer equipment	- 2 - 5 years

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

1.7 Debtors

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

1.8 Cash at bank and in hand

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

1. Accounting policies (continued)

1.9 Liabilities

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

1.10 Financial instruments

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

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.11 Pensions

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

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

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

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

1.12 Fund accounting

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

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2025. 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.

3. Income from donations and capital grants

	Unrestricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Donations	55,904	-	55,904	24,874
Capital Grants	-	7,161	7,161	7,386
Total 2025	55,904	7,161	63,065	32,260
<i>Total 2024</i>	<i>24,874</i>	<i>7,386</i>	<i>32,260</i>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

4. Funding for the Academy's charitable activities

	Restricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Educational activities			
DfE grants			
GAG	1,285,308	1,285,308	1,318,760
Other DfE grants			
UIFSM	125,492	125,492	102,630
Pupil Premium	22,917	22,917	22,562
Others	18,807	18,807	21,714
Supplementary grant	-	-	25,093
Mainstream school additional grant	-	-	17,311
Teachers' Pay and Pensions grants	87,028	87,028	31,179
	<hr/>	<hr/>	<hr/>
	1,539,552	1,539,552	1,539,249
Other Government grants			
Local authority grants	86,869	86,869	63,223
	<hr/>	<hr/>	<hr/>
	86,869	86,869	63,223
Total 2025	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	1,626,421	1,626,421	1,602,472
<i>Total 2024</i>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	1,602,472	1,602,472	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

5. Income from other trading activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Other income	8,384	-	8,384	2
Lettings	47,228	-	47,228	26,844
Total 2025	55,612	-	55,612	26,846
<i>Total 2024</i>	<i>26,844</i>	<i>2</i>	<i>26,846</i>	

6. Investment income

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Investment income - local cash	5,656	-	5,656	5,895
Pension income	-	16,000	16,000	10,000
	5,656	16,000	21,656	15,895
<i>Total 2024</i>	<i>5,895</i>	<i>10,000</i>	<i>15,895</i>	

THE SOUTHWATER INFANT ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

7. Expenditure

	Staff Costs 2025 £	Premises 2025 £	Other 2025 £	Total 2025 £	<i>Total</i> <i>2024</i> £
Expenditure on raising voluntary income:					
Direct costs	-	-	19,175	19,175	16,921
Educational activities:					
Direct costs	1,316,662	-	49,762	1,366,424	1,266,309
Allocated support costs	109,261	132,235	258,781	500,277	483,099
	<u>1,425,923</u>	<u>132,235</u>	<u>327,718</u>	<u>1,885,876</u>	<u>1,766,329</u>
<i>Total 2024</i>	<u>1,331,640</u>	<u>100,681</u>	<u>334,008</u>	<u>1,766,329</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	<i>Total</i> <i>2024</i> £
Educational activities	32,589	1,834,112	1,866,701	1,749,408
<i>Total 2024</i>	<u>-</u>	<u>1,749,408</u>	<u>1,749,408</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

9. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Educational activities	1,366,424	500,277	1,866,701	1,749,408
<i>Total 2024</i>	<u>1,266,309</u>	<u>483,099</u>	<u>1,749,408</u>	

Analysis of direct costs

	Educational activities 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Staff costs	1,296,812	1,296,812	1,175,710
Educational supplies and services	22,201	22,201	29,897
Staff development	9,700	9,700	4,006
Other direct costs	17,861	17,861	22,036
Agency supply teaching costs	19,850	19,850	34,660
Total 2025	<u>1,366,424</u>	<u>1,366,424</u>	<u>1,266,309</u>
<i>Total 2024</i>	<u>1,266,309</u>	<u>1,266,309</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational activities 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Staff costs	119,261	119,261	128,270
Depreciation	78,913	78,913	80,894
Maintenance of premises and equipment	57,184	57,184	32,689
Cleaning	51,639	51,639	48,525
Water and energy costs	23,412	23,412	19,467
Insurance	6,950	6,950	6,877
Other support costs	18,785	18,785	25,763
Universal infant free school meal costs	131,055	131,055	129,004
Non-cash pension costs	(10,000)	(10,000)	(7,000)
Governance costs	23,078	23,078	18,610
Total 2025	500,277	500,277	483,099
<i>Total 2024</i>	<i>483,099</i>	<i>483,099</i>	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2025 £	<i>2024 £</i>
Depreciation of tangible fixed assets	78,913	80,894
Fees paid to auditor for:		
- audit	7,350	7,000
- other services	1,650	1,650

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2025	2024
	£	£
Wages and salaries	1,056,635	993,794
Social security costs	93,631	82,469
Pension costs	265,807	227,717
	<u>1,416,073</u>	<u>1,303,980</u>
Agency staff costs	19,850	34,660
Non-cash pension costs	(10,000)	(7,000)
	<u>1,425,923</u>	<u>1,331,640</u>

b. Staff numbers

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

	2025	2024
	No.	No.
Teachers	15	14
Administration and support	29	29
Management	2	2
	<u>46</u>	<u>45</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Staff (continued)

c. Higher paid staff

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

	2025 No.	2024 No.
In the band £60,001 - £70,000	2	-
In the band £70,001 - £80,000	-	1
	-	1

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £217,483 (2024 - £214,012).

12. Trustees' remuneration and expenses

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

		2025 £	2024 £
Mrs C Cavallo	Remuneration	65,000 - 70,000	75,000 - 80,000
	Pension contributions paid	15,000 - 20,000	20,000 - 25,000

During the year ended 31 August 2025, no Trustee expenses have been incurred (2024 - £NIL).

13. Trustees' and Officers' insurance

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

14. Tangible fixed assets

	Long-term leasehold property £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2024	3,568,030	114,200	86,947	3,769,177
Additions	-	14,932	9,679	24,611
At 31 August 2025	<u>3,568,030</u>	<u>129,132</u>	<u>96,626</u>	<u>3,793,788</u>
Depreciation				
At 1 September 2024	555,577	80,453	79,500	715,530
Charge for the year	68,096	3,371	7,446	78,913
At 31 August 2025	<u>623,673</u>	<u>83,824</u>	<u>86,946</u>	<u>794,443</u>
Net book value				
At 31 August 2025	<u>2,944,357</u>	<u>45,308</u>	<u>9,680</u>	<u>2,999,345</u>
At 31 August 2024	<u>3,012,453</u>	<u>33,747</u>	<u>7,447</u>	<u>3,053,647</u>

15. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	24,852	-
Prepayments and accrued income	22,095	14,693
Tax recoverable	21,499	18,941
Grants receivable	1,921	1,921
	<u>70,367</u>	<u>35,555</u>

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NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due within one year

	2025 £	2024 £
Other loans	938	2,813
Trade creditors	11,397	5,002
Other taxation and social security	22,460	16,427
Other creditors	19,441	17,812
Accruals and deferred income	143,776	104,533
	198,012	146,587
	198,012	146,587
	2025 £	2024 £
Deferred income at 1 September 2024	76,532	79,490
Resources deferred during the year	126,973	76,532
Amounts released from previous periods	(76,532)	(79,490)
	126,973	76,532
	126,973	76,532

At the balance sheet date, the Academy was holding funds received in advance for the year 2024/2025.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. Statement of funds

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Unrestricted funds						
Unrestricted general fund	384,247	99,981	(32,589)	-	-	451,639
The Charity fund	50,948	17,191	(19,175)	-	-	48,964
	<u>435,195</u>	<u>117,172</u>	<u>(51,764)</u>	<u>-</u>	<u>-</u>	<u>500,603</u>
Restricted general funds						
GAG	106,215	1,285,308	(1,424,086)	(19,325)	-	(51,888)
UIFSM	-	125,492	(125,492)	-	-	-
Pupil Premium	-	22,917	(22,917)	-	-	-
Other DfE funding	-	18,807	(18,807)	-	-	-
Other grants	-	86,869	(86,869)	-	-	-
Teachers Pay and Pensions Grant	-	87,028	(87,028)	-	-	-
Pension reserve	-	16,000	10,000	-	(26,000)	-
	<u>106,215</u>	<u>1,642,421</u>	<u>(1,755,199)</u>	<u>(19,325)</u>	<u>(26,000)</u>	<u>(51,888)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	3,050,834	7,161	(78,913)	19,325	-	2,998,407
Total Restricted funds	<u>3,157,049</u>	<u>1,649,582</u>	<u>(1,834,112)</u>	<u>-</u>	<u>(26,000)</u>	<u>2,946,519</u>
Total funds	<u><u>3,592,244</u></u>	<u><u>1,766,754</u></u>	<u><u>(1,885,876)</u></u>	<u><u>-</u></u>	<u><u>(26,000)</u></u>	<u><u>3,447,122</u></u>

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. Statement of funds (continued)

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academy.

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

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2025.

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

	<i>Balance at 1 September 2023</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2024</i>
	£	£	£	£	£	£
Unrestricted funds						
Unrestricted general fund	346,145	38,102	-	-	-	384,247
The Charity fund	48,358	19,511	(16,921)	-	-	50,948
	<u>394,503</u>	<u>57,613</u>	<u>(16,921)</u>	<u>-</u>	<u>-</u>	<u>435,195</u>
Restricted general funds						
GAG	169,783	1,318,760	(1,391,800)	9,472	-	106,215
UIFSM	-	102,630	(102,630)	-	-	-
Pupil Premium	-	22,562	(22,562)	-	-	-
Other DfE funding	-	21,714	(21,714)	-	-	-
Supplementary grant	-	25,093	(25,093)	-	-	-
Mainstream school additional grant	-	17,311	(17,311)	-	-	-
Other grants	-	63,223	(63,223)	-	-	-
Teachers Pay and Pensions Grant	-	31,179	(31,179)	-	-	-
General	-	2	(2)	-	-	-
Pension reserve	-	10,000	7,000	-	(17,000)	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. Statement of funds (continued)

	<i>Balance at 1 September 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2024 £</i>
	169,783	1,612,474	(1,668,514)	9,472	(17,000)	106,215
Restricted fixed asset funds						
Restricted Fixed Asset Funds	3,133,814	7,386	(80,894)	(9,472)	-	3,050,834
Total Restricted funds	3,303,597	1,619,860	(1,749,408)	-	(17,000)	3,157,049
Total funds	3,698,100	1,677,473	(1,766,329)	-	(17,000)	3,592,244

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	-	2,999,345	2,999,345
Current assets	500,603	146,124	(938)	645,789
Creditors due within one year	-	(198,012)	-	(198,012)
Total	500,603	(51,888)	2,998,407	3,447,122

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Restricted fixed asset funds 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	-	-	3,053,647	3,053,647
Current assets	435,195	249,989	-	685,184
Creditors due within one year	-	(143,774)	(2,813)	(146,587)
Total	<u>435,195</u>	<u>106,215</u>	<u>3,050,834</u>	<u>3,592,244</u>

19. Reconciliation of net expenditure to net cash flow from operating activities

	2025 £	2024 £
Net expenditure for the year (as per Statement of financial activities)	<u>(119,122)</u>	<u>(88,856)</u>
Adjustments for:		
Depreciation	78,913	80,894
Capital grants from DfE and other capital income	(7,161)	(7,386)
Interest receivable	(5,656)	(5,895)
Defined benefit pension scheme cost less contributions payable	(10,000)	(7,000)
Defined benefit pension scheme finance cost	(16,000)	(10,000)
(Increase)/decrease in debtors	(34,812)	7,955
Increase/(decrease) in creditors	53,300	(2,514)
Net cash used in operating activities	<u>(60,538)</u>	<u>(32,802)</u>

20. Cash flows from financing activities

	2025 £	2024 £
Repayments of borrowing	(1,875)	(1,875)
Net cash used in financing activities	<u>(1,875)</u>	<u>(1,875)</u>

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21. Cash flows from investing activities

	2025 £	2024 £
Dividends, interest and rents from investments	5,656	5,895
Purchase of tangible fixed assets	(24,611)	(12,217)
Capital grants from DfE Group	7,161	7,386
Net cash (used in)/provided by investing activities	(11,794)	1,064

22. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand and at bank	575,422	649,629
Total cash and cash equivalents	575,422	649,629

23. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	649,629	(74,207)	575,422
Debt due within 1 year	(2,813)	1,875	(938)
	646,816	(72,332)	574,484

24. Capital commitments

	2025 £	2024 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	14,932
	-	14,932

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25. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Sussex County Council Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £19,441 were payable to the schemes at 31 August 2025 (2024 - £17,812) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

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

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

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2027.

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25. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £174,814 (2024 - £142,061).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £117,000 (2024 - £108,000), of which employer's contributions totalled £92,000 (2024 - £85,000) and employees' contributions totalled £25,000 (2024 - £23,000). The agreed contribution rates for future years are 21.9 per cent for employers and 5.5 and 6.5 per cent for employees.

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

Principal actuarial assumptions

	2025	2024
	%	%
Rate of increase in salaries	4.20	4.15
Rate of increase for pensions in payment/inflation	2.70	2.65
Discount rate for scheme liabilities	6.05	5.00
Inflation assumption (CPI)	2.70	2.65

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

	2025	2024
	Years	Years
<i>Retiring today</i>		
Males	22.0	21.8
Females	24.8	24.8
<i>Retiring in 20 years</i>		
Males	21.8	21.6
Females	25.8	25.8

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25. Pension commitments (continued)

Sensitivity analysis

	2025	<i>2024</i>
	£000	<i>£000</i>
Discount rate -0.1%	27	32
Mortality assumption - 1 year increase	52	58
CPI rate +0.1%	27	31
	<u>27</u>	<u>31</u>

Share of scheme assets

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

	At 31	<i>At 31 August</i>
	August 2025	<i>2024</i>
	£	<i>£</i>
Equities	1,038,000	945,000
Corporate bonds	596,000	560,000
Property	250,000	210,000
Cash and other liquid assets	38,000	34,000
	<u>1,922,000</u>	<u>1,749,000</u>
Total market value of assets	1,922,000	<i>1,749,000</i>

The actual return on scheme assets was £118,000 (2024 - £89,000).

The amounts recognised in the Statement of financial activities are as follows:

	2025	<i>2024</i>
	£	<i>£</i>
Current service cost	(82,000)	<i>(78,000)</i>
Interest income	90,000	<i>80,000</i>
Interest cost	(74,000)	<i>(70,000)</i>
	<u>(66,000)</u>	<u>(68,000)</u>
Total amount recognised in the Statement of financial activities	(66,000)	<i>(68,000)</i>

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25. Pension commitments (continued)

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

	2025 £	2024 £
At 1 September	1,749,000	1,489,000
Current service cost	82,000	78,000
Interest cost	74,000	70,000
Employee contributions	25,000	23,000
Actuarial losses	22,000	106,000
Benefits paid	(30,000)	(17,000)
At 31 August	1,922,000	1,749,000

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

	2025 £	2024 £
At 1 September	1,749,000	1,489,000
Interest income	90,000	80,000
Actuarial (losses)/gains	(4,000)	89,000
Employer contributions	92,000	85,000
Employee contributions	25,000	23,000
Benefits paid	(30,000)	(17,000)
At 31 August	1,922,000	1,749,000

As at 31 August 2025, the actuarial valuation of the Local Government Pension Scheme was calculated as a surplus of £622,000 (2024: £299,000). As this valuation does not give rise to a virtually certain economic benefit for the trust, either in the form of a reduction in future contributions or a cash settlement, any surplus arising on the valuation has been restricted to £nil.

26. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £NIL for the debts and liabilities contracted before he/she ceases to be a member.

27. Related party transactions

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

