

WORCESTERSHIRE HILLS TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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WORCESTERSHIRE HILLS TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr Stephen Butcher Dr Hugh Evans Mr Richard Oliver, Lord Faulkner of Worcester Mr Phil Sagar Mrs Diana Stubbs
Trustees	Mr Austin Bailey ^{1,2} Mr Stephen Butcher, Chair of Trustees ^{1,2,3,4,5} Dr Anthony Evans, Chief Executive Officer; Staff Governor; Accounting Officer ^{1,2,3,4,5} Mr Alan Harris, Partnership Governor ^{1,2} Mr Stephen Hart ^{1,2,5} Mr Keith Watson ^{1,4} Mrs Isabel Welch ^{1,4,5} Mr Peter Womersley ^{1,4} ¹ Full Governors ² Audit & Risk ³ Safeguarding, Property and General Purposes ⁴ Academic, Pastoral & Teaching ⁵ Nominations, Appointments and Remuneration
Company registered number	07512962
Company name	Worcestershire Hills Trust
Principal and registered office	Victoria Avenue Evesham Worcestershire WR11 4QH
Governance Professional	Mrs Marie Wall
Head Teachers	Dr Anthony Evans, Chief Executive Officer; Staff Governor; Accounting Officer & Head of Prince Henry's High School Mrs Anna Moss, Head of Blackwell First School Miss Deborah West, Head of Bredon Hill Academy Mrs Anita McLaren, Head of Charford First School (retired 31 August 2025) Mrs Alison Forrest, Head of Charford First School (appointed 1 September 2025)
Executive team	Mrs Nuala Barker, Deputy CEO Mr Matthew Brunt, Chief Financial Officer Mrs Alison Forrest (appointed 1 September 2025) Mr Alexander Hulse (resigned 30 September 2025), Chief Operating Officer Mrs Anita McLaren Mrs Anna Moss Mrs Emma Shalom (appointed 1 October 2025), Chief Operating Officer Miss Deborah West

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Independent auditor	Crowe U.K. LLP Fourth Floor St James House St James Square Cheltenham GL50 3PR
Bankers	Santander UK Plc Bridle Road Bootle Merseyside L30 4GB The Royal Bank of Scotland Plc 5 Church Street Sheffield South Yorkshire S1 1HF
Solicitors	Veale Wasbrough Vizards LLP Second Floor 3 Brindleyplace Birmingham B1 2JB

WORCESTERSHIRE HILLS TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements and auditor's report of the Worcestershire Hills Trust ("The Trust") for 1 September 2024 to 31 August 2025. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

No further schools joined the Trust between 1 September 2024 to 31 August 2025.

The Trust operates four First/Middle/High Schools for pupils aged 2 to 18 across Worcestershire:

	School Capacities	School roll	%
Blackwell First School	177	171	96.6%
Bredon Hill Academy	486	478	98.4%
Charford First School	514	508	98.8%
Prince Henrys High School	1,307	1,282	98.1%
Trust Total	2,484	2,439	98.2%

Taken from school census and nursery numbers, October 2024.

Structure, governance and management

a. Constitution

The Academy Trust is a Company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust. The Trustees of Worcestershire Hills Trust are also the directors of the charitable company for the purpose of company law. The charitable company operates as Worcestershire Hills Trust.

Details of Trustees who served during the period 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

The Trust provides indemnity insurance to cover the liability of Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Trust.

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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 articles provide that the Trust should have the following Trustees:

- Up to seven Trustees appointed by Members, by ordinary resolution
- A minimum of two parent Trustees elected or appointed by the Trustees, should there not be parent governors allowed for at Local Governing Body level.
- Any number of co-opted Trustees
- The CEO may agree to act as Trustee, appointed by ordinary resolution by the Members
- The number of Trustees, including the CEO should they agree to act as Trustee, who are employees of the Trust shall not exceed one third of the total number of Trustees

For any Trustee, prior to taking up the post, references will be sought by the Governance Professional and presented to the Appointments Committee. This is to ensure that students are further safeguarded, and potential conflicts of interest are avoided.

The Trustees are aware of the requirements within the Academies Trust Handbook 2024 and 2025.

e. Policies adopted for the induction and training of Trustees

Training and induction for Trustees will depend on their prior experience and/or knowledge. Most induction is carried out "in house", but external trainers may be brought in, or Trustees may attend external training provision as appropriate. Trustees are provided with copies of all the documents that they will need to undertake their role.

f. Organisational structure

The structure consists of Members, Trustees, Local Governing Bodies (LGB), the Executive Leadership Team, as well as a Headteacher and their Senior Leadership Team for each school.

The aim of the organisation structure is to devolve responsibility and encourage involvement in decision making at all levels. The scheme of delegation sets out financial authorisation levels. The Trustees are responsible for setting general policy, adopting annual development plans and budgets for each school, monitoring the schools, and making strategic decisions about the direction of the Trust as well as capital expenditure and Headteacher appointments.

The constitution allows for this to be done either by committees of the Trustees or through Full Board.

The Trust Board meets at least three times a year and establishes an overall framework for the governance of the Trust. It receives reports including policies from its committees for ratification and it monitors the work of the committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

The Chief Executive Officer (CEO) is the Headteacher of Prince Henrys High School and Accounting Officer for the Trust.

The Chief Financial Officer (CFO) is the Director of Finance for Prince Henry's High School.

The Trust is advised by its legal representatives Veale Wasbrough Vizards LLP to ensure that the Articles of Association remain up to date and appropriate bearing in mind current and potential changes to both national and local educational structures.

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

Structure, governance and management (continued)

The key responsibilities of the Trustees are to:

- Ensure the quality of educational provision
- Challenge, monitor and support the performance of the schools
- Manage the Trust's finances and property and assets
- Manage the CEO
- Exercise reasonable skill and care in carrying out their duties
- Ensure that the Trust complies with charity and company law
- Operate the Trust in accordance with the Funding Agreement that has been signed with the Secretary of State

To deliver to these broad responsibilities the Trust delegates, through explicit Terms of Reference, a number of its responsibilities to three key Committees as follows:

- Audit, Risk & Compliance (ARC)
- Academic, Pastoral and Teaching (AP&T)
- Nominations, Appointments and Remuneration (NARCOM)

All Committees report to the Board as set out in their Terms of Reference, meet on an agreed schedule and on an as required basis, report to and where necessary, ask the Board to approve decisions made in the Committees.

The Board delegates executive responsibilities for maintaining, running and developing the Academies to the CEO and the Executive Committee, and the Headteachers and their Senior Leadership Teams.

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

The Trustees consider that the Trust Board and Executive Team comprise the key management personnel of the Trust. All Trustees gave their time freely and no Trustee received remuneration other than the CEO.

For a number of years Prince Henry's High School has implemented its own Pay Scales for all staff. Blackwell First School, Bredon Hill Academy and Charford First School all follow the national DfE Teacher pay scales and NJC pay awards for support staff.

Salaries of all Senior Leaders of the other schools within the Trust are reviewed annually in accordance with the School Teachers Pay and Conditions Document, following an annual Appraisal which is undertaken by the Local Governing Body and CEO.

The Board delegates to a Nominations, Appointments and Remuneration committee to determine pay ranges for the CEO and Headteachers of the schools. All decisions concerning pay and remuneration taken by the committee are ratified by the Board. Benchmarking exercises took place in 2024-25 when the Nominations, Appointments and Remunerations committee was first established. An independent School Improvement Partner is used to support the setting and review of performance targets for the CEO. The CEO oversees the Appraisals of the Headteachers alongside the LGBs of each school.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	3
Full-time equivalent employee number	249

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	3
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£
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Total cost of facility time	1,100	
Total pay bill	13,439,000	
Percentage of total pay bill spent on facility time	0.01	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100.00	%
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i. Connected organisations, including related party relationships

As a MAT, Worcestershire Hills Trust has no structural or commercial affiliation to any other organisations. All pecuniary interests for staff and Trustees are recorded and reviewed annually. Pecuniary Interests is a standing item on every Board and LGB meeting.

The Worcestershire Hills Trust owns 100% of the share capital of the PHHS Trading Company Limited. This company is registered as dormant.

Prince Henrys High School was a delivery partner for the Arthur Terry Learning Partnership SCITT. There was a related party relationship, which is acknowledged at the Governors' meetings through the pecuniary interest's forms, and any financial transactions are disclosed in the notes to the accounts.

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

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

Worcestershire Hills Trust values the importance of engaging with all employees as a means of aiding recruitment, securing employee retention, productivity and wellbeing. The Trust engages employee by:

- Adopting a strategy of growing stronger together where all employees have a voice and are recognised.
- Exercising an open-door policy for all staff at all levels.
- Regular meetings with all staff to ensure awareness of the Trust's key priorities and strategies.
- Regular review of detailed policies in relation to all aspects of personnel matters including Equal Opportunities, Disability Access and Health & Safety.
- Engagement with trade unions and professional associations via paid facilities time and local forums.

Objectives and activities

a. Objects and aims

The Trust's main object is set out in its Articles of Association and referred to in pages 9-17 of that document. In summary, the principal object is to create and develop the very best Teaching and Learning environments for all our students and staff based upon the virtues of sound universal values; thus, enabling all students to become well rounded young people with a first-class outstanding education that becomes fully embedded and integrated into their future lives. We aim to achieve this by:

- Protecting & enhancing the individual ethos of successful schools in the local area
- Preserving the features that make our schools unique
- Strengthening and retaining the values that underpin our cultures and celebrating the Trust's position in the served communities
- Doing things even better, differently, more efficiently to benefit the communities and children served
- Growing and developing staff collaboratively, making the most of teaching & learning expertise from different stages of a student's journey from Nursery to Year 13

b. Objectives, strategies and activities

The strategies and activities of the Trust were as follows during the 2024/25 academic year:

- Successfully completed a DFE Trust Improvement Offer with another local Trust
- Established the Nominations, Appointments and Remuneration committee
- Supported Bredon Hill Academy during its Ofsted inspection (March 2025)
- Supported the appointment process for new Headteacher at Charford First School to start September 2025
- Established new Trust Offices at Prince Henry's High School and Blackwell First School
- Held the inaugural Trust wide summer concert (July 2025)
- Contributed to the cultural development of students attending from all four Trust schools
- Supported Charfest as a celebration of retirement of long serving Headteacher
- Appointed a Trust Improvement Officer, Music Director and an EWO
- Formed a DSL network across the Trust Schools
- Supported two successful CIF bids for Trust Schools
- Embedded strong links with Worcester University (PGCE Strategic Board)

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

Objectives and activities (continued)

c. Public benefit

The Trustees have complied with the duty in Section 17 of the Charities Act 2011, to have a due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trust has provided a full comprehensive education to all students in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

Strategic report

Achievements and performance

The achievements and performance of each of the individual schools within the newly formed Trust are detailed below, along with supporting key performance indicators:

Date of Inspection	PHHS 5 March 2024	Charford 25 April 2023	Blackwell 6 December 2023	Bredon Hill 4 March 2025
Quality of Teaching, Learning and assessment / Quality of Teaching / Quality of Education	Outstanding	Good	Good	Good
Behaviour and safety of pupils / Behaviour & Attitudes	Outstanding	Good	Outstanding	Outstanding
Personal Development, behaviour and welfare / Personal Development	Outstanding	Good	Outstanding	Outstanding
Leadership & Management	Outstanding	Good	Outstanding	Good
Achievement of pupils / Outcomes of pupils	Good	Good	Good	Good
Early Years provision	Good	Good	Outstanding	Good
6 th Form provision	Outstanding	Good	Good	Good
Overall	Outstanding	Good	Good	Good

Blackwell First School

- Maintenance of high academic standards, as evidenced by the published Good Level of Development for Early Years, phonics screening and multiplication tests as well as internal teacher assessment
- Highly inclusive provision

Bredon Hill Academy

- Maintenance of high standards of academic progress
- Our highly inclusive approach and targeted interventions resulted in significant improvements in key areas: disadvantaged outcomes, KS2 maths outcomes, reading at greater depth.
- Accreditation from Artsmark (Silver) and School Games (Gold), Thinking Skills Programme (Silver).

Charford First School

- Maintenance of high standards of academic progress
- Strong values embedded through high expectations of behaviour, curriculum delivery and wider opportunities
- Highly inclusive provision with increasingly complex educational and medical needs coming through the school

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

Strategic report (continued)

Achievements and performance (continued)

Prince Henry's High School

- Maintenance of high academic standards at A Level and GCSE, e.g. highest ever EBacc score
- Almost all students gained a place at their chosen universities, and the small number of students that entered clearing have now been placed.
- The Teaching School Hub surpassed all phase 2, Year 1 targets set and reviewed by the Department for Education.
- SCITT re-accredited in March 2025, for September 2026 opening
- Awarded NACE Challenge Award, Career Mark, SMSC Gold, and 360 degree Safe Award

a. Key performance indicators

Blackwell First School

- Phonic screening - 93%
- Multiplication test- average score 21 of 25
- Attendance at 96%
- Oversubscribed

Bredon Hill Academy

- KS2 outcomes in reading remain above national average (85%)
- Writing was above national average (82%)
- KS2 maths' outcomes were above average (80%) and the highest recorded at BHA
- KS2 Grammar Punctuation and Spelling were significantly above national average (84%)
- Pupil Premium performance in Year 8 is in line with all pupil national performance
- Attendance at 95.3%

Charford First School

- Phonic screening – 68% year 1, 90% year 2
- Multiplication test- average score 17.5 of 25
- Attendance at 94%
- Oversubscribed

Prince Henry's High School

- Attendance at 92.7%
- Oversubscribed

A Level Results 2025

- 178 students were entered for A Level or equivalent examinations
- 28 students achieved at least 2 A*/A grades or Level 3 equivalents
- The top performer achieved 3A*

GCSE Results 2025

- 313 students were entered for GCSE or equivalent examinations
- 15% of numeric grades were 7-9; 55% were 5-9; and 72% were 4-9
- Top performer achieved 6 Grade 9 results and 4 Grade 8 results
- 74% of students gained a 4+ in English
- 76% of students gained a 4+ in Maths
- 68% of students gained a minimum of 2 4+ in Science
- 42% of students achieved the English Baccalaureate, significantly above the national average
- The estimated proxy progress measure is significantly above average

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

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

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

Glossary of Abbreviations

DFE	Department for Education
LGPS	Local Government Pension Scheme
MAT	Multi Academy Trust
SLT	Senior Leadership Team
SCITT	School Centred Initial Teacher Training
SORP	Statement of Recommended Practice

c. Promoting the success of the company

The Board is acutely aware of the impact of its decisions upon the success of the Worcestershire Hills Trust, and the consequent impact the Trust's success has on the lives, outcomes, and life chances of the children we make provision for. Clear moral purpose, combined with financial prudence and informed and effective strategic risk management combine to ensure decisions made regarding growth, investment, and organisational change are taken with due sobriety and measurement.

Financial review

The accounting period runs from 1 September 2024 to 31 August 2025 and the Trust finished the year with an in year surplus of £59.2k, excluding LGPS unrealised gains.

2024-25 was the first full year operating as a MAT, with income increasing to £18.6m. The Trust has further growth targets for the next 3 to 5 years, with potentially one additional school within the next 12 to 18 months. The year saw the Trust invest in capital projects across all four schools, using a mixture of current year revenue, reserves and grants from the DFE and other parties in order to fund these projects. These projects included provision of additional exam rooms, a new Library, two CIF projects and a BMA provision.

The majority of the Trust's income is obtained from the DFE in the form of recurrent grants the use of which is restricted to particular purposes. The grants received from the DFE during the year ended 31 August 2025 total £15.2m, and the associated expenditure is shown as restricted funds in the statement of financial activities.

Bredon Hill Academy completed their new Library using reserves built up over the previous years, prior to transferring to the Trust. In addition to this, Bredon Hill Academy along with Charford First School, were successful in their Capital Improvement Funding (CIF) bids, for work to Fire Safety Improvements at the schools (Fire Door replacement at Bredon Hill Academy and Fire Alarm system upgrade at Charford First School). The funding can be found within the Fixed Asset Fund, and capital costs under assets under construction as these projects ran from July 2025 into the 2025-26 year.

The Local Government Pension Scheme balance at 31 August 2025 is in an overall asset position of £2.36m. This amount has been derecognised at year end, meaning that there is £nil recognised on the balance sheet.

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

Strategic report (continued)

Charford First School due to some exceptional, unexpected expenditure during the year, as well as timing of capital works over the summer, dropped into negative reserves. The LGB has outlined a plan to recover the reserves back to a minimum of 5% over the next few years, which the Trust is overseeing and will continue to monitor.

The Trustees and Local Governing Bodies continue to investigate the development of other sources of income.

The Trustees would like to thank the John Martin Charity, The Deacle and Prince Henry's Educational Foundation and Prince Henrys Evesham, Arts Theatre Trust for their kind donations to Prince Henry's High School.

In accordance with the Charities statement of recommended practice 'Accounting activities 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 will be reduced by annual depreciation charges over the expected useful life of the assets concerned.

a. Reserves policy

Any reserves are held in accordance with the requirements laid down in the Master Funding Agreement and by the DFE. The Trustees review the level of, and policy for, reserves annually.

The target level of reserves will be informed by:

- provide a working balance to cushion the impact of uneven cash flows;
- provide a contingency to cushion the impact of unexpected events, emergencies and large shortfalls in budgets;
- plan for potential major items of expenditure.

The Trust will not maintain levels of restricted and unrestricted reserves that are excessive compared with total income levels.

The Trust will aim to hold a minimum of free reserve of between 5% and 20% of the Trust's annual operational income (total income excluding trips, other donations and capital grants). For 2024-25 this is between £0.88m and £3.52m. Currently the Trust holds £0.9m in free reserves, being 5.4% of operational income (2024 - £1.48m, 12.95%).

The Trust held total fund balances at 31 August 2025 of £40.2m (2024 - £40.4m) comprising of £39.3m (2024 - £39.0m) restricted funds and £0.9m (2024 - £1.4m) unrestricted general funds. As of 31 August 2025, the restricted reserves no longer holds a pension reserve deficit (2024 - £Nil deficit) and the restricted fixed asset fund, with the balance of £39.3m in respect of fixed assets and capital expenditure of the Trust, which is not available for general purposes of the Trust.

Under Accounting Standard FRS102 it is necessary to charge projected deficits on the Local Government Pension Scheme that is provided for non-teaching staff to a specific restricted reserve. As at 31 August 2025 there was no deficit on this reserve, and so it should be noted that this does not present the academy with a current Capital or Liquidity problem.

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

b. Material investments policy

The CEO together with the CFO will ensure that any surplus funds are deposited to maximise interest whilst maintaining a safe and secure investment strategy. This is set out in the Trust's Investment Policy and is actively monitored through the Executive Team and Audit, Risk and Compliance Committee.

The Investment Policy sets out the Trust's investment strategy, risk appetite and prohibited investments. The Trust must retain sufficient liquidity to meet present and future known or anticipated requirements as they become due. The Worcestershire Hills Trust supports an ethical investment approach and will not therefore consider any investment or deposit with a company or organisation where reputational concerns will conflict with the ethos of the Trust or the education of a diverse, inclusive and multicultural educational establishment.

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

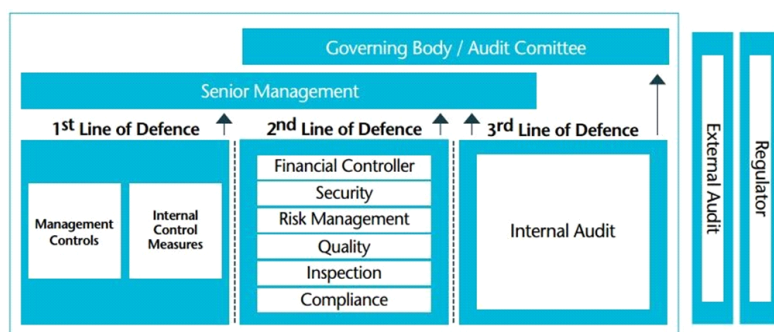
c. Principal risks and uncertainties

The CEO together with the CFO will ensure that any surplus funds are deposited to maximise interest whilst maintaining a safe and secure investment strategy. This is set out in the Trust's Investment Policy and is actively monitored through the Executive Team and Audit, Risk and Compliance Committee.

The principal risks and uncertainties facing the charity continue to be:

- Safeguarding
- School closure
- Variations in school funding due to partially funded pay awards
- Unpredictable rises in fixed costs, e.g. energy costs and inflation
- Implications of the dispute between unions and the government involving industrial action
- Site safety and security
- Cybersecurity and Data protection
- The volatility of student numbers for demographic reasons
- Provision for alternative curriculum
- Revaluations of the LGPS
- Changes in the political landscape
- Staff retention and recruitment
- The use of agency staff and the increasing costs of using agency

The Trust has an ongoing risk management process and for the 2024-25 academic year ensured that any additional changes outlined in the Academy Trust Handbook 2024 were implemented. Overall responsibility for risk management rests with the Governing Body. The Audit, Risk and Compliance Committee regularly monitors the types of risk the Trust faces, monitoring any changing levels of risk and identifying newly emerging risks. The Trust exercises the principles and practices of Enterprise Risk Management as a key component of a Three Lines of Defence Model, as illustrated below:



The Local Government Pension Scheme (LGPS) is reviewed by qualified actuaries on behalf of the schools within the Trust. There is currently a deficit on this as disclosed in the notes to the financial statements. The Trustees consider a significant source of financial risk to be that of the funding requirements of the LGPS. In order to mitigate this risk, the current and foreseeable service cost is monitored and periodic actuarial valuations are reviewed to assess the impact of external factors on the scheme liability.

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

d. Fundraising

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the CFO.

Blackwell First School and Charford First School both have support from their respective PFTAs, in relation to fundraising from events such as summer fairs, sponsored events and gift fairs. For the current financial year, Blackwell First School received £22.1k from their PFTA, whilst Charford First School PFTA did not pass over any fundraising as they plan to make a large donation to the school in 2025-26 to revitalise the current playground.

Other than fundraising for local, national and international charities, including via the students' Interact group, which raised £6.6k from September 2024 to July 2025, Prince Henry's High School did not participate in the collection of school funds from parents.

Bredon Hill Academy held a sponsored read and a cake sale to raise money for books for our new Library, raising £4,165.

Plans for future periods

The Trust's aims are:

- To build a shared vision that underpins everything that we all do in our communities and support each other in a rapidly changing social, political and financial climate
- To achieve the best possible outcomes for the well-being, progress and personal development of children and young people across the Trust
- To recruit, train and grow and retain the best teachers through the Teaching School Hub across all phases
- To formalise collaboration to enable provision mapping to improve outcomes and opportunities for all through Assessment, Curriculum, SEND, Attendance etc.
- To explore beneficial shared staff arrangements e.g. Music Peripatetics, Minority Subjects; Literacy and Numeracy support, Cover supervisors, Caretakers etc.
- To support finance, other school services, policy writing to enable Headteachers & SLT to focus upon Teaching and Learning
- To enhance the provision of services e.g. Educational Psychology, Education Welfare, Children with Complex Needs, SEND, ICT
- To protect, grow and preserve what we already have and control our own destiny
- To grow the Trust to up to eight schools in the next 3 to 5 years

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
- The 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.

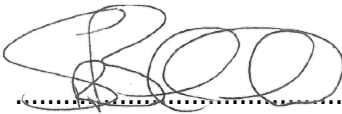
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TRUSTEES' REPORT (CONTINUED)
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Auditor

The auditor, Crowe U.K. LLP, 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, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, and signed on its behalf by:



Mr Stephen Butcher
Chair of Trustees



Dr Anthony Evans
Accounting Officer

9 December 2025

WORCESTERSHIRE HILLS TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance until its withdrawal in March 2025. Trustees have also reviewed and taken account of the DfE's Academy Trust Governance Guide, published in March 2025.

The Board of Trustees has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Worcestershire Hills Trust 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.

Conflict of interest

All trustees recognise they have a legal duty to act only in the best interests of the Trust and that they must not put themselves in any position where their duties as trustee may conflict with any personal interest they may have.

Trustees' personal and professional connections can bring benefits to the work of a charity and they often form part of the reason why an individual has been asked to join the Trustee body however there may be a situation where there is a conflict of interest where a trustee's personal interests or loyalties could, or could be seen to, prevent them from making a decision only in the best interests of the charity.

To address these rare situations, the Trust holds a full Register of Business Interests which is recorded on the Trust's website alongside the Scheme of Delegation and Guide to Governance. The register is subdivided into:

- Academy Trust Members
- Trust Board Trustees
- School Governing Boards
- Senior Employees

Updates to the register are made as a result of information either resulting from a formal minuted committee meeting, where the first agenda item records any Declarations of Interest in respect of agenda items or otherwise, or from the annual business interests returns, which are completed in readiness for the year end external audit, and refreshed during the year, as circumstances dictate.

If there is a conflict of interest, the committee clerk ensures that the written record of the decision shows that the Trust has acted properly and complied with their duties by recording:

- the nature of the conflict
- which trustee or trustees were affected
- whether any conflicts of interest were declared in advance
- an outline of the discussion
- whether anyone withdrew from the discussion
- how the Trustees took the decision in the best interests of the charity

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Trustees formally met 4 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
Mr Stephen Butcher, Chair of Trustees	4	4
Mr Stephen Hart	3	4
Mr Alan Harris	4	4
Dr Anthony Evans, Accounting Officer	4	4
Mr Austin Bailey	4	4
Mr Keith Watson	3	4
Mrs Isabel Welch	4	4
Mr Peter Womersley	3	4

The Trust Board meets formally four times per year. Discussions are held and decisions are made or ratified as appropriate. There are three main committees, which meet three or four times per year: Audit, Risk and Compliance (ARC) and Academic, Pastoral and Teaching and Nomination, Appointment and Remuneration committee.

In addition to the Trust Board, the Trust has established Local Governing Body (LGB) sub-committees at each school. These meetings receive Management Accounts and detailed financial reports, updates on Safeguarding, Attendance and Achievements, in addition to local Capital, Health & Safety and Premises related income and expenditure issues.

The effectiveness of governance is reviewed regularly and is included on the Risk Register. This is discussed at the Accounts and Budget meeting in December and then reviewed at the annual Members' meeting in January.

Audit, Risk and Compliance

Purpose:

- To review the Trust's financial plans, management and reporting arrangements;
- To have oversight of each school's budget plan and to monitor expenditure against budget through reports prepared by the CFO and that such expenditure complies with the criteria for Best Value;
- The work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework;
- To report on the Trust's finances at Board meetings and to recommend to the Board the appointment/dismissal of the external and internal auditors, the audit fee, the provision of any non-audit services by the external auditors;
- To consider elements of the annual financial statements in the presence of the external auditors, including the auditor's formal opinion, the statement of members' responsibilities and the statement of internal control in accordance with DfE's Accounts Directions;
- To oversee the preparation of the annual report and accounts, summarising the activity for the year;
- The Committee will give its opinion on the adequacy and effectiveness of the Trust's arrangements for the following: risk register, control and governance (including the accuracy of the statement of internal control), economy, efficiency and effectiveness;
- In line with the Finance & Asset Management Policy, and with DfE's approval as required, to authorise the acquisition, disposal, and change of use of assets.

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Alan Harris (Chair)	4	4
Mr Stephen Butcher, Chair of Trustees	4	4
Dr Anthony Evans, Accounting Officer	4	4
Mr Austin Bailey	4	4
Mr Stephen Hart	3	4

Academic, Pastoral and Teaching

Purpose - Operational:

- To approve school term dates and training days;
- To develop a Safeguarding Policy in line with statutory requirements and best practice;
- To establish an Attendance Policy.

Purpose - Education & Curriculum:

- To agree targets for student outcomes;
- To approve School Development/Improvement Plan;
- To establish Key Performance Indicators for schools;
- In relation to the three points above, these will be examined by reference to Headteachers' termly reports to Local Governing Bodies and minutes from LGB meetings.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Keith Watson (Chair)	3	3
Mr Stephen Butcher	3	3
Dr Anthony Evans	3	3
Mr Peter Womersley	1	3
Mrs Isabel Welch	3	3

Nomination, Appointment and Remuneration Committee

Purpose – Nominations:

- To meet when required to consider the suitability of potential Trustees with a view to making recommendations to the Members or Trustees
- The Members appoint 8 Trustees, including the CEO (as a Trustee)
- The Trustees Co-Opted Trustees subject to the restrictions regarding Employees of the Trust not exceeding one third of the total number of Trustees
- The Trustee Appointments Committee will make recommendations to the Members or the Trustees
- The Governance Professional will undertake all necessary due diligence checks prior to recommendations being made to the Members or Trustees

Purpose – Appointments:

- To appoint and dismiss the WHT CEO
- To meet when required to approve the appointment of a Headteacher for a Trust school
- In accordance with the Trust Scheme of Delegation, the CEO has delegated authority for the dismissal of Head/Deputy Headteachers of the Trust Schools. The Committee must approve any dismissal payments
- Following a selection and appointment process conducted by the school, the CEO will make the recommendation to the Committee for ratification

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Purpose – Remuneration:

- To review and approve the recommendations by the Prince Henry's Salaries and Appointments Committee for the CEO, Deputy CEO, CFO and COO remuneration including pay ranges and salaries
- Following CEO's recommendation, to review and approve the Headteacher, Deputy Headteacher and Assistant Headteacher remuneration including pay ranges for each school
- Following CEO's recommendation, to review and approve the most senior support staff member's remuneration including salary and ranges in each school
- Following CEO's recommendation, to review and approve any bonuses or discretionary payments

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Steve Butcher	1	1
Dr Anthony Evans	1	1
Mrs Isabel Welch	1	1
Mr Peter Womersley	1	1

Review of value for money

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

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

- Completing the formation of the Worcestershire Hills Trust
- Ensuring teaching and learning are of a consistently high standard
- Ensuring that budget out-turn was in line with forecasts
- Improving the site and general provision for students
- Reviewing controls and managing risks
- Ensuring that estate management provides the Trust's schools with well maintained, functional buildings and land, whilst keeping within the Trust's overall budget and maintaining the reserves policy requirements

All of the above has been undertaken to ensure key performance indicators are met and with the oversight and approval of the Audit, Risk and Compliance Committee. This includes routine expenditure by the academy trust to ensure that the Trust's estate is safe, well-maintained and complies with regulations.

The purpose of the system of internal control

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

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, which 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- 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

The Board of Trustees decided to commission Optimum Professional Services in 2024-25 in order to undertake internal assurance reviews. This option was decided as the Board took the decision that they wanted the independence of a third party in these reviews.

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

- Estates Management,
- Financial Budgeting and Control
- The effectiveness of the Trust addressing points raised in the external auditor's management letter.

On an annual basis, the auditor reports to the Board of Trustees, through the audit, risk and compliance 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 auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditors have completed their schedule of work for 2024/25 on time and have reported no significant issues arising in systems of control.

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

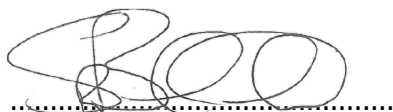
- the work of the Optimum Professional Services
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework
- the work of the external auditor;
- Latest updates from DfE

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit, Risk and Compliance and Accounts and Budget sub-committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Conclusion

Based on the advice of the Audit, Risk and Compliance 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 and signed on their behalf by:



Mr Stephen Butcher
Chair of Trustees



Dr Anthony Evans
Accounting Officer

9 December 2025

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of the Worcestershire Hills Trust, I have considered my responsibility to notify the academy trust Board of Trustees and the DfE of material irregularity, impropriety and non compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2024, including responsibilities for estates safety and management.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Trust Handbook 2024.

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.



Dr Anthony Evans
Accounting Officer

9 December 2025

WORCESTERSHIRE HILLS TRUST
(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 Department for Education, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025;
- make judgements 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 DfE have been applied for the purposes intended.

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

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



Mr Stephen Butcher
Chair of Trustees



Dr Anthony Evans
Accounting Officer

9 December 2025

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WORCESTERSHIRE HILLS TRUST**

Opinion

We have audited the financial statements of Worcestershire Hills Trust (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 Group's or the parent entity'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.

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WORCESTERSHIRE HILLS TRUST (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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WORCESTERSHIRE HILLS TRUST (CONTINUED)**

Responsibilities of Governors

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.

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:

We obtained an understanding of the legal and regulatory frameworks within which the Charitable Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102), the Companies Act 2006, the Academy Accounts Direction and the Academy Trust Handbook. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charitable Company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charitable Company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation, Ofsted and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the Governors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be in the following areas: the override of controls by management, including posting of unusual journals; inappropriate treatment of non-routine transactions and areas of estimation uncertainty.

Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Department for Education, and reading minutes of meetings of those charged with governance.

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WORCESTERSHIRE HILLS TRUST (CONTINUED)**

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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



Rebecca Crowther (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Fourth Floor

St James House

St James Square

Cheltenham

GL50 3PR

Date: 18 December 2025

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
WORCESTERSHIRE HILLS TRUST AND THE SECRETARY OF STATE FOR EDUCATION**

In accordance with the terms of our engagement letter dated 20 August 2025 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 Worcestershire Hills Trust 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 Worcestershire Hills Trust 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 Worcestershire Hills Trust 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 Worcestershire Hills Trust and the Secretary of State for Education, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Worcestershire Hills Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Worcestershire Hills Trust's funding agreement with the Secretary of State for Education dated 1 March 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.

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.

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
WORCESTERSHIRE HILLS TRUST AND THE SECRETARY OF STATE FOR EDUCATION (CONTINUED)**

The work undertaken to draw to our conclusion included:

- Consideration and corroboration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;
- Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity;
- Discussions with and representations from the Accounting Officer and other Key management personnel;
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

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.

Crowe UK LLP

Reporting Accountant
Crowe U.K. LLP

Statutory Auditor

Date: 18 December 2025

WORCESTERSHIRE HILLS TRUST
(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					
Transfer on conversion		-	-	-	-	10,175,124
Other donations and capital grants		103,247	68,375	206,675	378,297	10,278,069
Other trading activities	5	832,792	-	-	832,792	247,702
Investments		62,432	-	-	62,432	49,815
Charitable activities	4	706,824	16,119,383	-	16,826,207	10,344,169
Teaching schools		-	492,275	-	492,275	775,158
Total income		1,705,295	16,680,033	206,675	18,592,003	31,870,037
Expenditure on:						
Raising funds	6,7	533,538	-	-	533,538	10,043
Charitable activities	6,7	466,539	16,730,815	684,861	17,882,215	11,206,962
Teaching schools	6,7	-	117,080	-	117,080	726,366
Total expenditure		1,000,077	16,847,895	684,861	18,532,833	11,943,371
Net income/(expenditure)		705,218	(167,862)	(478,186)	59,170	19,926,666
Transfers between funds	17	(1,192,445)	386,824	805,621	-	-
Net movement in funds before other recognised gains/(losses)		(487,227)	218,962	327,435	59,170	19,926,666
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	-	1,916,000	-	1,916,000	293,000
Pension surplus not recognised	24	-	(2,166,000)	-	(2,166,000)	(189,000)
Net movement in funds		(487,227)	(31,038)	327,435	(190,830)	20,030,666

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Note					
Reconciliation of funds:					
Total funds brought forward	1,405,945	72,598	38,950,183	40,428,726	20,398,060
Net movement in funds	(487,227)	(31,038)	327,435	(190,830)	20,030,666
Total funds carried forward	918,718	41,560	39,277,618	40,237,896	40,428,726

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

The notes on pages 34 to 66 form part of these financial statements.

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07512962

BALANCE SHEET
AS AT 31 AUGUST 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	13	39,250,352	38,252,836
Current assets			
Debtors	14	1,280,532	1,629,154
Cash at bank and in hand		923,356	1,673,305
		<u>2,203,888</u>	<u>3,302,459</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(1,212,844)	(1,122,069)
Net current assets		<u>991,044</u>	<u>2,180,390</u>
Total assets less current liabilities		<u>40,241,396</u>	<u>40,433,226</u>
Creditors: amounts falling due after more than one year	16	(3,500)	(4,500)
Total net assets		<u><u>40,237,896</u></u>	<u><u>40,428,726</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	39,277,618	38,950,183
Restricted income funds	17	41,560	72,598
Total restricted funds	17	<u>39,319,178</u>	<u>39,022,781</u>
Unrestricted income funds	17	<u>918,718</u>	<u>1,405,945</u>
Total funds		<u><u>40,237,896</u></u>	<u><u>40,428,726</u></u>

The financial statements on pages 30 to 66 were approved by the Trustees on 9 December 2025, and authorised for issue and are signed on their behalf, by:



Mr Stephen Butcher
Chair of Trustees



Dr Anthony Evans
Accounting Officer

The notes on pages 34 to 66 form part of these financial statements.

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	2025 £	2024 £
Cash flows from operating activities	19	664,321	258,468
Cash flows from investing activities	21	(1,413,270)	369,081
Cash flows from financing activities	20	(1,000)	(1,000)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(749,949)	626,549
Cash and cash equivalents at the beginning of the year		1,673,305	1,046,756
Cash and cash equivalents at the end of the year	22, 23	923,356	1,673,305
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 34 to 66 form part of these financial statements

WORCESTERSHIRE HILLS TRUST
(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), judgements and key sources of estimation uncertainty, is set out below.

The company is a private company (limited by guarantee), which is incorporated and registered in England and Wales (no. 07512962). The address of the registered office is Victoria Avenue, Evesham, Worcestershire, WR11 4QH.

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.

Worcestershire Hills Trust meets the definition of a public benefit entity under FRS 102.

The Trust is the ultimate parent undertaking, having 100% control of PHHS Trading Company Limited, a company limited by guarantee and registered in England and Wales.

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.

WORCESTERSHIRE HILLS TRUST
(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.

- **Transfer on conversion**

Where assets and liabilities are received by the Academy on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Transfer of existing academies into the Academy**

Where assets and liabilities are received on the transfer of an existing academy into the Academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy. An equal amount of income is recognised for the transfer of an existing academy into the Academy within 'Income from Donations and Capital Grants' to the net assets acquired.

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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

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

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

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.6 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Freehold property	- 120 Years Straight Line (Buildings) & 10 Years Straight Line (Temporary Structures)
Long-term leasehold land and buildings	- 125 year lease term (Land) & 50 years straight line (Buildings)
Furniture and fittings	- 5 Years Straight Line
Plant and machinery	- 7 Years Straight Line
Computer equipment	- 4 Years Straight Line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 Liabilities and provisions

Liabilities and provisions 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.8 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 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.

1.9 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.10 Pensions

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

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

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

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

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.11 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from DfE. Payments received from DfE and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administrative costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances are disclosed in note 28.

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.

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

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

2. Critical accounting estimates and areas of judgement

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

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.

Local Government Pension Scheme

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 24, 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.

Where a scheme is in a surplus according to the accounting valuation the associated asset has not been recognised on the basis that it is not likely to be recoverable either through future reductions in contributions rates or future repayments. Further details of pension assets not recognised can be found with the pensions note to the financial statements.

The asset values are reported using estimated asset allocations prepared by the scheme Actuary. The asset value is calculated at each triennial valuation. Thereafter it is rolled forward to accounting dates using investment returns, contributions received and benefits paid out. During each annual reporting period between triennial valuations, asset returns are estimated using 11 months of market experience and one month of extrapolation being assumed.

Land and building valuations

Fixed asset valuations have been included at their estimated fair value at the date of conversion, using previous valuations (on a per metre square basis) and assessing the comparability of the sites.

With no formal valuations occurring since this date, management believe this to be a fair estimate and judgement based on information available at the time.

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £
Donations	103,247	68,375	346	171,968
DfE capital grants	-	-	206,329	206,329
	<u>103,247</u>	<u>68,375</u>	<u>206,675</u>	<u>378,297</u>
	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Restricted fixed asset funds 2024 £</i>	<i>Total funds 2024 £</i>
Transfer on conversion	491,124	407,000	9,277,000	10,175,124
Transfer of existing academy	573,954	(411,000)	9,008,195	9,171,149
Donations	19,058	80,295	-	99,353
Capital grants	-	-	1,007,567	1,007,567
	<u>1,084,136</u>	<u>76,295</u>	<u>19,292,762</u>	<u>20,453,193</u>

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

4. Funding for the Academy's charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Academy Educational Operations			
DfE grants			
General Annual Grant	-	11,595,053	11,595,053
Other DfE grants			
Pupil Premium	-	376,946	376,946
DfE Teaching 16 - 19 Income	-	1,770,442	1,770,442
Core schools budget grant	-	409,566	409,566
Other DfE Grants	-	1,044,789	1,044,789
	-	15,196,796	15,196,796
Other Government grants			
Local Authority Grants - SEN	-	395,402	395,402
Local Authority Grants - Early years	-	376,592	376,592
Other Local Authority Grants	-	150,593	150,593
	-	922,587	922,587
Other income from the Academy's educational operations			
Educational trips	518,041	-	518,041
Other income	188,783	-	188,783
	706,824	-	706,824
	706,824	16,119,383	16,826,207

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

4. Funding for the Academy's charitable activities (continued)

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Academy Educational Operations			
DfE grants			
General Annual Grant	-	7,275,126	7,275,126
Other DfE grants			
Pupil Premium	-	207,766	207,766
DfE Teaching 16 - 19 Income	-	1,628,192	1,628,192
Core schools budget grant	-	-	-
Other DfE Grants	-	591,971	591,971
	-	9,703,055	9,703,055
Other Government grants			
Local Authority Grants - SEN	-	76,155	76,155
Local Authority Grants - Early years	-	43,802	43,802
Other Local Authority Grants	-	71,187	71,187
	-	191,144	191,144
Other income from the Academy's educational operations			
Educational trips	271,276	-	271,276
Other income	178,694	-	178,694
	449,970	-	449,970
	449,970	9,894,199	10,344,169

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2025 £	Total funds 2025 £
Nursery and wraparound care	315,915	315,915
Other trading activities	516,877	516,877
	<u>832,792</u>	<u>832,792</u>

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Nursery and wraparound care	62,299	-	62,299
Other trading activities	29,633	155,770	185,403
	<u>91,932</u>	<u>155,770</u>	<u>247,702</u>

6. Expenditure

	Staff Costs 2025 £	Premises 2025 £	Other 2025 £	Total 2025 £
Expenditure on fundraising trading activities:				
Direct costs	520,167	-	13,371	533,538
Academy Educational Operations:				
Direct costs	11,484,878	-	1,241,133	12,726,011
Allocated support costs	2,376,023	1,393,902	1,386,279	5,156,204
Teaching school	72,130	-	44,950	117,080
	<u>14,453,198</u>	<u>1,393,902</u>	<u>2,685,733</u>	<u>18,532,833</u>

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

6. Expenditure (continued)

	<i>Staff Costs 2024 £</i>	<i>Premises 2024 £</i>	<i>Other 2024 £</i>	<i>Total 2024 £</i>
Expenditure on fundraising trading activities:				
Direct costs	-	-	10,043	10,043
Academy Educational Operations:				
Direct costs	7,309,697	-	733,733	8,043,430
Allocated support costs	1,042,561	1,134,152	986,819	3,163,532
Teaching school	421,369	-	304,997	726,366
	<u>8,773,627</u>	<u>1,134,152</u>	<u>2,035,592</u>	<u>11,943,371</u>

7. Analysis of expenditure by activities

	<i>Activities undertaken directly 2025 £</i>	<i>Support costs 2025 £</i>	<i>Total funds 2025 £</i>
Academy Educational Operations	<u>12,726,011</u>	<u>5,156,204</u>	<u>17,882,215</u>
	<i>Activities undertaken directly 2024 £</i>	<i>Support costs 2024 £</i>	<i>Total funds 2024 £</i>
Academy Educational Operations	<u>8,043,430</u>	<u>3,163,532</u>	<u>11,206,962</u>

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2025 £	<i>Total funds 2024 £</i>
Staff costs	2,376,023	1,042,561
Depreciation	684,861	594,392
Technology costs	144,153	175,870
Other support costs	1,004,927	668,757
Maintenance of Premises	709,041	539,760
Legal and professional fees	171,963	116,940
Governance costs	65,236	25,252
	<u>5,156,204</u>	<u>3,163,532</u>

Governance costs are costs of administrative support provided to the Trustees, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2025 £	<i>2024 £</i>
Operating lease rentals	74,640	54,277
Depreciation of tangible fixed assets	684,861	594,392
Fees paid to auditor for:		
- audit	18,375	17,500
- other services	5,450	5,200
	<u>5,450</u>	<u>5,200</u>

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

9. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2025 £	2024 £
Wages and salaries	10,620,161	6,565,633
Social security costs	1,178,066	641,813
Pension costs	2,595,732	1,509,133
	<u>14,393,959</u>	<u>8,716,579</u>
Staff restructuring costs	20,770	57,048
Agency costs	38,469	-
	<u>14,453,198</u>	<u>8,773,627</u>
Severance payments	<u>20,770</u>	<u>-</u>

b. Severance payments

The Academy paid 1 severance payments in the year, disclosed in the following bands:

	2025 No.
£0 - £25,000	<u>1</u>

c. Staff numbers

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

	2025 No.	2024 No.
Teachers	133	112
Administration & Support	176	98
Management	25	14
	<u>334</u>	<u>224</u>

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

9. Staff (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2025	<i>2024</i>
	No.	<i>No.</i>
Teachers	116	99
Administration & Support	99	73
Management	24	14
	239	186

d. Higher paid staff

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

	2025	<i>2024</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	19	3
In the band £70,001 - £80,000	2	4
In the band £80,001 - £90,000	5	1
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	1	-
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-

e. 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 employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £2,427,068 (2024: £781,207).

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

10. Central services

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

- Management services
- Legal services
- Education support services
- Maintenance and admin support services
- Finance and accounts support services

The Academy charges for these services on the following basis:

The Trust covers its central costs by a percentage per school based on pupil numbers. The Trust does not take any additional funding for a contingency reserve. This is split £282,600 operational and £183,300 capital.

The actual amounts charged during the year were as follows:

	2025 £	2024 £
Blackwell First School	54,000	-
Bredon Hill Academy	68,800	-
Charford First School	69,300	-
Prince Henry's High School	273,800	-
Total	465,900	-

WORCESTERSHIRE HILLS TRUST
(A Company Limited by Guarantee)

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

11. Trustees' remuneration and expenses

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

		2025	2024
		£	£
Dr Anthony Evans	Remuneration	155,000 - 160,000	<i>140,000 - 145,000</i>
	Pension contributions paid	40,000 - 45,000	<i>40,000 - 45,000</i>
Michael Thompson (resigned as a Trustee, 31 May 2024)	Remuneration	-	<i>40,000 - 45,000</i>
	Pension contributions paid	-	<i>10,000 - 15,000</i>
Linda Walker (resigned as a Trustee, 31 May 2024)	Remuneration	-	<i>10,000 - 15,000</i>
	Pension contributions paid	-	<i>0 - 5,000</i>

During the year ended 31 August 2025, no expenses were reimbursed or paid directly to Trustee (2024 - £Nil).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2025 was indeterminable, due to its inclusion within the overall RPA agreement which is consistent with the prior year.

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13. Tangible fixed assets

	Freehold property £	Plant and machinery £	Furniture and equipment £	Long-term leasehold property £	Assets under construction £	Computer equipment £	Total £
Cost or valuation							
At 1 September 2024	21,863,895	739,877	823,049	18,189,318	271,513	604,672	42,492,324
Additions	976,344	38,010	105,916	392,517	117,349	52,241	1,682,377
Transfers between classes	271,752	-	-	-	(271,752)	-	-
At 31 August 2025	23,111,991	777,887	928,965	18,581,835	117,110	656,913	44,174,701
Depreciation							
At 1 September 2024	2,676,987	410,973	610,389	48,247	-	492,892	4,239,488
Charge for the year	390,151	86,643	86,503	65,345	-	56,219	684,861
At 31 August 2025	3,067,138	497,616	696,892	113,592	-	549,111	4,924,349
Net book value							
At 31 August 2025	20,044,853	280,271	232,073	18,468,243	117,110	107,802	39,250,352
At 31 August 2024	19,186,908	328,904	212,660	18,141,071	271,513	111,780	38,252,836

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14. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	68,879	67,545
Other debtors	323,136	186,741
Prepayments and accrued income	888,517	1,374,868
	<u>1,280,532</u>	<u>1,629,154</u>

15. Creditors: Amounts falling due within one year

	2025 £	2024 £
Salix loans	1,000	1,000
Trade creditors	526,496	451,043
Other creditors	612,219	502,285
Accruals and deferred income	73,129	167,741
	<u>1,212,844</u>	<u>1,122,069</u>

	2025 £	2024 £
Deferred income at 1 September 2024	40,614	54,670
Resources deferred during the year	1,394	40,614
Amounts released from previous periods	(40,614)	(54,670)
	<u>1,394</u>	<u>40,614</u>

At the balance sheet date, the Academy Trust was holding funds received in advance for the DfE Rates Relief and Sixth Form Bursary funding received in advance of the 2025/26 financial year.

16. Creditors: Amounts falling due after more than one year

	2025 £	2024 £
Bank loans	<u>3,500</u>	<u>4,500</u>

The loans amounting to £4,500 are interest free Salix loans which were agreed as part of the CIF applications. The loans are due for repayment by installments over 6 years.

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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						
General Funds - all funds	1,405,945	1,187,254	(533,538)	(1,155,943)	-	903,718
School trips	-	518,041	(466,539)	(36,502)	-	15,000
	<u>1,405,945</u>	<u>1,705,295</u>	<u>(1,000,077)</u>	<u>(1,192,445)</u>	<u>-</u>	<u>918,718</u>
Restricted general funds						
General Annual Grant	31,038	11,595,053	(12,012,915)	386,824	-	-
Pupil premium	-	376,946	(376,946)	-	-	-
16-19 funding	-	1,770,442	(1,770,442)	-	-	-
Other DfE grants	-	1,044,789	(1,044,789)	-	-	-
Core Schools grant	-	409,566	(409,566)	-	-	-
Teaching School Hub	41,560	492,275	(492,275)	-	-	41,560
Local Authority SEN	-	395,402	(395,402)	-	-	-
Donations	-	68,375	(68,375)	-	-	-
Local Authority Early years	-	376,592	(376,592)	-	-	-
Other Local Authority Grants	-	150,593	(150,593)	-	-	-
Pension reserve	-	-	250,000	-	(250,000)	-
	<u>72,598</u>	<u>16,680,033</u>	<u>(16,847,895)</u>	<u>386,824</u>	<u>(250,000)</u>	<u>41,560</u>

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

17. Statement of funds (continued)

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2025 £
Restricted fixed asset funds						
Fixed Asset Fund	38,252,836	-	(684,861)	1,682,377	-	39,250,352
DfE Capital Grants	-	206,329	-	(206,329)	-	-
Other Donations	-	346	-	(346)	-	-
Capital Grant - Football Foundation	397,347	-	-	(370,081)	-	27,266
Capital Grant - Wychavon District Council	300,000	-	-	(300,000)	-	-
	<u>38,950,183</u>	<u>206,675</u>	<u>(684,861)</u>	<u>805,621</u>	<u>-</u>	<u>39,277,618</u>
Total Restricted funds	<u>39,022,781</u>	<u>16,886,708</u>	<u>(17,532,756)</u>	<u>1,192,445</u>	<u>(250,000)</u>	<u>39,319,178</u>
Total funds	<u><u>40,428,726</u></u>	<u><u>18,592,003</u></u>	<u><u>(18,532,833)</u></u>	<u><u>-</u></u>	<u><u>(250,000)</u></u>	<u><u>40,237,896</u></u>

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

The unrestricted funds are available for use at the discretion of the Trustees for the furtherance of the Charity's objects.

The restricted general fund includes grants receivable from the DfE, Local Authority and other government grants to be used for the primary activity of the charitable company.

The restricted fixed asset fund relates to the grants received and assets transferred in and are held for the charitable company's primary activity.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

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						
General Funds - all funds	418,357	1,413,974	(198,120)	(228,266)	-	1,405,945
School trips	-	261,879	(261,879)	-	-	-
	<u>418,357</u>	<u>1,675,853</u>	<u>(459,999)</u>	<u>(228,266)</u>	<u>-</u>	<u>1,405,945</u>
Restricted general funds						
General Annual Grant	33,667	7,275,126	(7,292,303)	14,548	-	31,038
Boarding income	19,640	207,766	(227,406)	-	-	-
16-19 funding	-	1,628,192	(1,628,192)	-	-	-
Other DfE grants	83,533	863,410	(946,943)	-	-	-
Teaching School Hub	7,316	420,308	(374,844)	(11,220)	-	41,560
Local Authority SEN	-	354,850	(351,522)	(3,328)	-	-
Donations	-	155,770	(155,770)	-	-	-
Pension reserve	(188,000)	(4,000)	88,000	-	104,000	-
	<u>(43,844)</u>	<u>10,901,422</u>	<u>(10,888,980)</u>	<u>-</u>	<u>104,000</u>	<u>72,598</u>

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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>
Restricted fixed asset funds						
Fixed Asset Fund	19,923,547	18,285,195	(455,685)	499,779	-	38,252,836
DfE Capital Grants	-	38,707	(38,707)	-	-	-
Other Capital Income	100,000	-	(100,000)	-	-	-
Capital Grant - Football Foundation	-	668,860	-	(271,513)	-	397,347
Capital Grant - Wychavon District Council	-	300,000	-	-	-	300,000
	<u>20,023,547</u>	<u>19,292,762</u>	<u>(594,392)</u>	<u>228,266</u>	<u>-</u>	<u>38,950,183</u>
Total Restricted funds	<u>19,979,703</u>	<u>30,194,184</u>	<u>(11,483,372)</u>	<u>228,266</u>	<u>104,000</u>	<u>39,022,781</u>
Total funds	<u><u>20,398,060</u></u>	<u><u>31,870,037</u></u>	<u><u>(11,943,371)</u></u>	<u><u>-</u></u>	<u><u>104,000</u></u>	<u><u>40,428,726</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2025 were allocated as follows:

	2025 £	2024 £
Prince Henry's Academy	526,987	506,621
Bredon Hill Academy	380,000	588,118
Charford First School	(24,100)	205,103
Blackwell First School	77,391	178,701
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	960,278	1,478,543
Restricted fixed asset fund	39,277,618	38,950,183
	<hr/>	<hr/>
Total	40,237,896	40,428,726
	<hr/> <hr/>	<hr/> <hr/>

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
Charford First School	24,100
	<hr/> <hr/>

Charford First School recorded an in-year deficit of £229.2k (2024: *surplus of £205.1k*), resulting in total reserves of (£24,100) at year-end. The negative reserves position at 31 August 2025 is primarily due to increased staffing costs with changes in pensions and NIC, and overtime to cover unexpected staff absences.

The Academy is taking the following action to return the academy to surplus:

The Trustees have prepared detailed cash flow forecasts and a recovery plan. These forecasts demonstrate that, with agreed actions and continued support the school can be expected to reach a surplus position over the next two to three years.

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

17. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2025 £
Prince Henry's Academy	6,518,699	1,362,180	140,311	2,156,527	10,177,717
Bredon Hill Academy	1,978,912	462,734	65,909	433,587	2,941,142
Charford First School	2,624,137	356,946	34,075	340,022	3,355,180
Blackwell First School	873,970	275,620	16,195	208,148	1,373,933
Academy	11,995,718	2,457,480	256,490	3,138,284	17,847,972

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2024 £
Prince Henry's Academy	6,061,498	1,050,207	116,913	2,277,349	9,505,967
Bredon Hill Academy	539,177	148,880	8,851	121,607	818,515
Charford First School	617,808	46,648	8,314	66,190	738,960
Blackwell First School	211,474	40,887	8,281	24,895	285,537
Academy	7,429,957	1,286,622	142,359	2,490,041	11,348,979

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**NOTES TO THE FINANCIAL STATEMENTS
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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	-	-	39,250,352	39,250,352
Debtors due after more than one year	(23,079)	23,079	-	-
Current assets	941,797	1,234,825	27,266	2,203,888
Creditors due within one year	-	(1,212,844)	-	(1,212,844)
Creditors due in more than one year	-	(3,500)	-	(3,500)
Total	918,718	41,560	39,277,618	40,237,896

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	-	-	38,252,836	38,252,836
Current assets	1,405,945	1,199,167	697,347	3,302,459
Creditors due within one year	-	(1,122,069)	-	(1,122,069)
Creditors due in more than one year	-	(4,500)	-	(4,500)
Total	1,405,945	72,598	38,950,183	40,428,726

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

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

	2025 £	2024 £
Net income for the year (as per Statement of Financial Activities)	59,170	19,926,666
Adjustments for:		
Depreciation	684,861	594,393
Capital grants from DfE and other capital income	(206,675)	(1,007,567)
Investment income	(62,432)	-
Defined benefit pension scheme obligation inherited	-	4,000
Defined benefit pension scheme cost less contributions payable	(237,000)	(106,000)
Defined benefit pension scheme finance cost	(13,000)	18,000
Decrease/(increase) in debtors	348,622	(1,185,670)
Increase in creditors	90,775	299,841
Fixed Assets on conversion	-	(9,277,000)
Fixed Assets on transfer of existing academy	-	(9,008,195)
Net cash provided by operating activities	664,321	258,468

20. Cash flows from financing activities

	2025 £	2024 £
Repayments of borrowing	(1,000)	(1,000)
Net cash used in financing activities	(1,000)	(1,000)

21. Cash flows from investing activities

	2025 £	2024 £
Purchase of tangible fixed assets	(1,682,377)	(638,486)
Capital grants from DfE Group	206,675	38,707
Other capital grants	-	968,860
Investment income	62,432	-
Net cash (used in)/provided by investing activities	(1,413,270)	369,081

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FOR THE YEAR ENDED 31 AUGUST 2025**

22. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand and at bank	923,356	1,673,305

23. Analysis of changes in net debt

	At 1 September 2024 £	Cash flows £	Other non- cash changes £	At 31 August 2025 £
Cash at bank and in hand	1,673,305	(749,949)	-	923,356
Debt due within 1 year	(1,000)	1,000	(1,000)	(1,000)
Debt due after 1 year	(4,500)	-	1,000	(3,500)
	1,667,805	(748,949)	-	918,856

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NOTES TO THE FINANCIAL STATEMENTS
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24. 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 Mercer. 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 2024.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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 was implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2027.

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

24. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £1,370,965 (2024 - £1,250,122).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/-/media/documents/member/documents/factors/valuation/tps-ew-2020-valuation-results-report-261023-002.ashx>).

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 £922,000 (2024 - £458,000), of which employer's contributions totalled £745,000 (2024 - £365,000) and employees' contributions totalled £177,000 (2024 - £93,000). The agreed contribution rates for future years are 20.7 per cent for employers and 6.8 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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.

Principal actuarial assumptions

	2025	2024
	%	%
Rate of increase in salaries	4.2	4.1
Rate of increase for pensions in payment/inflation	2.7	2.6
Discount rate for scheme liabilities	6.1	5.0
Inflation assumption (CPI)	2.7	2.6

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

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

24. Pension commitments (continued)

	2025	<i>2024</i>
	Years	<i>Years</i>
<i>Retiring today</i>		
Males	21.5	<i>21.2</i>
Females	23.7	<i>23.6</i>
<i>Retiring in 20 years</i>		
Males	22.1	<i>22.5</i>
Females	24.6	<i>25.4</i>

Sensitivity analysis

	2025	<i>2024</i>
	£000	<i>£000</i>
Discount rate +0.1%	7,060	<i>7,755</i>
Discount rate -0.1%	7,342	<i>8,087</i>
Mortality assumption - 1 year increase	7,488	<i>8,238</i>
Mortality assumption - 1 year decrease	6,914	<i>7,604</i>
CPI rate +0.1%	7,338	<i>8,081</i>
CPI rate -0.1%	7,064	<i>7,761</i>

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	6,497,000	<i>5,436,000</i>
Corporate bonds	669,000	<i>649,000</i>
Property	2,198,000	<i>1,946,000</i>
Cash and other liquid assets	192,000	<i>79,000</i>
Derecognition of surplus	(2,355,000)	<i>(189,000)</i>
Total market value of assets	7,201,000	<i>7,921,000</i>

The actual return on scheme assets was £782,000 (2024 - £688,000).

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

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

	2025 £	2024 £
Current service cost	508,000	310,000
Interest cost	(13,000)	18,000
Total amount recognised in the Statement of Financial Activities	495,000	328,000

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

	2025 £	2024 £
At 1 September	7,921,000	3,731,000
Transferred in on existing academies joining the trust	-	3,480,000
Actuarial losses/(gains)	(1,554,000)	106,000
Current service cost	508,000	310,000
Interest cost	407,000	307,000
Employee contributions	177,000	111,000
Benefits paid	(258,000)	(124,000)
At 31 August	7,201,000	7,921,000

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

	2025 £	2024 £
At 1 September	7,921,000	3,543,000
Transferred in on existing academies joining the trust	-	3,476,000
Actuarial losses/(gains)	362,000	399,000
Interest income	420,000	289,000
Employer contributions	745,000	416,000
Employee contributions	177,000	111,000
Benefits paid	(258,000)	(124,000)
Derecognition of surplus	(2,166,000)	(189,000)
At 31 August	7,201,000	7,921,000

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

25. Operating lease commitments

At 31 August 2025 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	63,982	47,760
Later than 1 year and not later than 5 years	102,098	38,625
	<u>166,080</u>	<u>86,385</u>

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 £10 for the debts and liabilities contracted before he/she ceases to be a member.

27. Related party transactions

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

The following transactions took place in the period of account:

Westacre Middle School - in which the wife of governor Dr A Evans is a governor. Staff services were invoiced for £4,905 (2024: £4,555). The amount due to Westacre Middle School at 31 August 2025 was £Nil (2024: £Nil). The services were invoiced at the normal commercial rate.

28. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for DfE. In the accounting year ending 31 August 2025 the Trust received £26,882 (2024 - £23,532) and disbursed £39,650 (2024 - £23,532) from the fund. An amount of £Nil (2024 - £12,768) is included in creditors relating to undistributed funds that are repayable to DfE.