

Champion Education Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended 31st August 2024

Champion Education Trust
Annual Report and Financial Statements
Year Ended 31st August 2024

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Champion Education Trust

Reference and Administrative Details

Year Ended 31st August 2024

Members	Mr J Henderson Mrs C Hesketh Mrs J Lea (appointed 19 th February 2024)
Trustees	Mrs D Thomson (chair) Mrs Y Arshad (appointed 17 th October 2023) Mr P Bradbury (resigned 10 th October 2023) Mrs J Bryne Mr M Hindle Mrs C Hollister Mrs A Howard Mrs D Johnson Mr A Terry
Champion Education Trust Executive Team	Mrs D Atkinson (CEO) (resigned 14 th April 2024) Mr J Franklin-Smith (CEO) (appointed 15 th April 2024) Mr A Ray (CFO) (resigned 30 th June 2024) Miss C Ferguson (CFO) (appointed 1 st July 2024)
Principal and Registered Office	c/o Blackburn Central High School Haslingden Road Blackburn Lancashire BB2 3HJ Changed to with effect 16 October 2024 c/o Oak Learning Partnership Blackley Close Unsworth Bury BL9 8LY
Company Registration Number	11630363
Independent Auditor	CWR Chartered Accountants 20 Mannin Way Lancaster Business Park Caton Road Lancaster LA1 3SW
Bankers	Lloyds Bank Church Street Blackburn BB2 1JQ
Solicitors	Browne Jacobson No1 Spinningfields Manchester M3 3EB

Champion Education Trust

Trustees' Report

Year Ended 31st August 2024

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from the 1st September 2023 to the 31st August 2024. The annual report serves the purposes of both a trustees' report, and a directors' report including a strategic report under company law.

The Academy Trust operates Blackburn High School for pupils aged 11-16, Crosshill Special School, an academy for pupils aged 7-19, and Lotus Special School, a special school for pupils aged 11 – 16.

Structure, Governance and Management

1.1 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 Champion Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Champion Education Trust.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 2.

1.2 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.

1.3 Trustees' Indemnities

The trustees' are indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. The limit of this indemnity is £10,000,000.

1.4 Method of Recruitment and Appointment or Election of Trustees

The members appoint the trustees. Trustees are appointed for a maximum of 4 years and will be eligible for re-appointment.

1.5 Policies and Procedures Adopted for the Induction and Training of Trustees.

Newly appointed trustees are provided with an induction pack for new trustees, previous meeting minutes and other key documents and attend an initial meeting with the Chief Executive and Chair of the Trust.

1.6 Organisational Structure

The trustees are the directors of the charitable company for the purposes of company law. They have overall responsibility and ultimate decision making at all levels. The trustees have responsibility for strategic direction and growth of the Trust, adopting an annual plan and budget, monitoring financial management and other performance information, setting general Trust policies, making Trust level and headteacher appointments and approving the annual report and financial statements. The trustees delegate day to day operation of the schools to the Headteachers in each school who are supported by school leadership.

The Trust executive team consists of the Chief Executive (Accounting Officer) and the Chief Finance Officer. These leaders control the Trust at an executive level implementing the policies laid down by the trustees and reporting back to them.

Roles and responsibilities at all levels are clearly defined within the Scheme of Delegation.

Champion Education Trust

Trustees' Report

Year Ended 31st August 2024

1.7 Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trust has a Pay Committee that has responsibility for agreeing the pay of the Chief Executive. The Committee is supported by an independent consultant for this task. Senior Leadership pay is set by reference to benchmarking and comparison of pay with other roles in the sector.

The Trust has adopted a single pay policy for use across the whole Trust.

1.8 Related Parties and Other Connected Charities and Organisations

There are no related parties, other connected charities or organisations to report.

Objectives and Activities

2.1 Objects and Aims

Champion Education Trust is a not for profit Multi Academy Trust. The objects of the Trust are:

- to establish, maintain, carrying on, managing and developing schools, enabling them to be outstanding.
- to grow a family of schools with broad and balanced curriculums providing for all our children in their communities, that will champion all students including some of the most disadvantaged and vulnerable students in our communities.
- to develop an inclusive family of schools that support and share outstanding practice enabling all to succeed.

It is the aim of the Trust to provide outstanding provision, world class teaching, in school therapy solutions, inspiring environments and an innovative curriculum to remove barriers enabling all the young people in their schools to be the best they can be. To achieve beyond what others thought possible.

2.2 Objectives, Strategies and Activities

Champion Education Trust is a values-based Trust that aims to improve the life chances of young people, particularly those from low socio-economic backgrounds and those with special educational needs.

The Trust aims to:

- Support all schools within the Trust to have ambition and high expectations for all students
- Establish schools that are centres of excellence for leadership, teaching and learning, collaboration and giving all pupils a curriculum that is balanced, broadly based and prepares pupils in all schools for the opportunities, responsibilities and experiences of later life.
- Be driven by a moral purpose to transform opportunities and change life chances of children and young people, who live in challenging times as well as challenging areas,
- Work in partnership and collaboration with schools across the Trust, accessing the support that they need to set themselves up for successes within an established system which in turn is responsive to the needs and performance of each academy.
- Develop expertise to improve the provision and outcomes for SEND children.
- Share staff and facilities across the Trust, where appropriate. This will provide greater opportunities for students to be able to choose from a wider range of subjects and consequently thrive.
- Provide access for students to recognised, high quality vocational qualifications in collaboration with local business providers and local councils in order to enhance employment/progression opportunities for students.
- Offer a range of extra-curricular activities that will encourage pupils to acquire a range of skills not directly related to their educational attainment.
- Facilitate through collaboration and openness, the sharing of effective practice across a group of schools so that improvements can be made rapidly.
- Produce effective means of leadership development at all levels.

Champion Education Trust

Trustees' Report

Year Ended 31st August 2024

- Develop and implement a cohesive recovery strategy supporting the social, emotional and learning skills of all students and to include a cohesive digital strategy.

2.3 Public Benefit

The trustees have complied with their duty to have due regard to the Charity Commission's guidance on public benefit in exercising their powers or duties, to its supplementary guidance on advancing education. The main public benefit delivered by the Trust is the advancement of education.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic report

3. Achievements and Performance

2023-24 has been a very busy year for the Trust and each school has worked with determination to improve the quality of provision for the young people they serve. Throughout the year all schools have made progress across a number of areas. Due to the retirement of the CEO in April Trustees considered what the best future was for the trust. After exploring several options including recruitment of a replacement CEO and merging with various trusts, they took the decision to transfer Lotus into a Blackpool based trust with special expertise so that it could receive longer term close support. Following this the decision was made to transfer both Blackburn schools to Oak Learning Partnership, a trust with a shared vision around inclusive practice. It was felt that this was the best outcome for the pupils and wider stakeholders in the schools. Two trustees from the Champion trust board have joined the Oak Learning Partnership trust board to ensure continuity in oversight.

3.1 Key Performance Indicators

School performance

Blackburn Central High School

Blackburn Central High School has had a strong year of improvement and results have moved into a more positive position across all areas. The school has many strengths in terms community links and SEND provision and it remains over subscribed being popular with parents.

Ofsted- Good

Number of students on roll has increased from 965 (July 24) to 981 (Sept 24) this is due to a request by the local authority to take additional pupils. School leaders are looking at the PAN strategically and the current growth is temporary to meet local demand. The school remains over-subscribed being very popular within the community.

Attendance for 2023-24 90.4% (90.9% NA)

Results for Y11 2024

OUTCOMES	2024	2023	2022	National
Progress 8 Overall	-0.13	-0.47	-0.03	-0.03
Attainment 8	40.9	40.5	N/A	46.3
Progress 8 Disadvantaged	-0.63	-0.83	-0.58	-0.57

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Year Ended 31st August 2024

9 to 5 English and Maths %	36%	34%	40%	45%
9 to 4 English and Maths %	57%	54%	69%	65%
Progress 8 Maths	0.01	-0.26	0.21	-0.02
Progress 8 English	-0.11	-0.38	0.18	-0.04
Progress 8 EBacc	-0.08	-0.38	-0.07	-0.03
Progress 8 Open	-0.36	-0.80	-0.29	-0.04
9 to 4 English and Maths % Disadvantaged	54%	39%	46%	73%

Crosshill School

Has been has gone through a period of significant growth in pupil numbers including expanding into primary provision. Additional classroom capacity has been added enabling the primary pupils to move onto the main school site from September 24. The local authority continue to invest in the school and plans are in place for them to invest £3.5m on developing a sixth form centre for the school.

Ofsted; Good school with outstanding behaviour and personal development

Numbers of roll - 176 in September 24, an increase from 136 in September 23. This includes 27 pupils in primary which is now an official strand in the school.

Attendance 23/24 – 92.1% v 90.6% a significant improvement and well above the national average of 87%

OUTCOMES	2024	2023
% of Y13 students with 3+ qualifications	25%	25%
% of Y13 students with 1+ qualifications	100%	100%
% of Y11 students with 5+ EL3 qualifications	6%	6%
% of Y11 students with 5+ EL2 qualifications	29%	62%
% of Y11 students with 5+ EL1 qualifications	29%	62%
% of Y11 students with 1+ qualifications	100%	100%

*small numbers in each year group with a bespoke approach for each individual pupil.

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Trustees' Report

Year Ended 31st August 2024

Lotus

Ofsted Judgement- Special measures Dec 2022

Since this inspection very detailed actions were captured in a robust written statement to address all the shortcomings. An expert panel was put together to act as a monitoring committee. Progress against the statement of action has been monitored by the committee. Capacity was added to the leadership team with an executive headteacher and two assistant headteachers. Resources from across the trust were deployed to add strength, knowledge and expertise to provide support. The governing body was reviewed, and an experienced Chair of Governors appointed who has offered rigorous support and challenge.

Ofsted monitoring visits have taken place July 23 and May 24: both have judged the school to be making progress to be removed from needing special measures, identifying significant areas of improvement.

Number on roll 49 in July 24 increased to by 55 Sept 24

Attendance 23-24 - 57%

There is no external data as very low numbers completed year 11

The school was re-brokered into a local Blackpool trust due to their special expertise and local knowledge as Trustees and leaders felt this was the best place for the school to be supported.

Plans for the future

With the transfer of all trust schools completed by 30th September 2024, plans to officially close the trust are underway.

3.2 Going Concern

The Trustees assess whether the use of going concern is appropriate. In making this assessment they consider whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees are not aware of any material uncertainties which would cast doubt on the Academy Trust's constituent school's ability to continue to fulfil their daily operational charitable objectives. However, on the 1st September 2024, the operational activities, assets and liabilities of Lotus School and Crosshill Special School were transferred to Synergy Education Trust and Oak Learning Partnership respectively. On the 1st October the operational activities, assets and liabilities of Blackburn Central High School were transferred to Oak Learning Partnership. Champion Education Trust will subsequently cease operations as a multi academy trust and will be dissolved in due course. However, as the constituent schools will continue to operate after the transfer, no further adjustments have been applied as a result of ceasing to apply the going concern basis.

4. Financial Review

4.1 Operating and Financial Review

At 31st August 2024 the Trust held revenue fund balances of £1,287,000 (2023: £922,000) comprising of restricted general funds of £668,000 (2023: £303,000) and unrestricted funds of £619,000 (2023: £619,000). In addition to this the pension reserve shows a surplus of £nil (2023: £637,000 surplus) and fixed assets to a value of £25,294,000 (2023: £25,306,000) are held by the academy trust.

Champion Education Trust

Trustees' Report

Year Ended 31st August 2024

4.2 Reserves Policy

The trustees review the reserve levels of each Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. Under its Funding Agreement with the Secretary of State for Education, Champion Education Trust is permitted to hold unlimited reserves at year end.

The Reserves Policy established an appropriate level of free reserves for each academy within the Trust which is 3% of the GAG funding. This is to provide sufficient working capital to cover delays between receipt of grants and to provide a cushion to deal with unexpected emergencies.

The trustees reserve the right to recover reserves held above 5% for secondary academies and 8% for primary and special academies.

Champion Education Trust's current level of free reserves is disclosed at note 16. Reserves are held to ensure that the Trust has sufficient resources to continue to advance the education of pupils, including incurring the necessary capital expenditure.

4.3 Investment Policy

The Trust does not currently hold any investments other than cash, which is held for its normal operations. The trustees have adopted a low-risk strategy to its cash balances. The Trust will seek to maximise its return by investing surplus cash in time deposits with banks, which will be approved by the trustees.

4.4 Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Trust is exposed. The Trustees have implemented a system to assess the risks the Trust faces especially in the operational areas which include teaching, health and safety, estate management and control of finance. The Trustees have revised systems including risk assessments, operational procedures, and internal controls in order to minimise risk. Where significant risk remains, they have adequate insurance cover. The Trust has an effective system of internal control. The Trust has invested in software to track and report on compliance to ensure that the Trust estate is safe, well maintained and complies with relevant regulations. In addition, the Trust has entered into a Service Level Agreement with Blackburn with Darwen BC to provide a Competent Person as described in the Health and Safety Act. Where external Health and Safety reviews have been conducted by the Risk Protection Arrangement (RPA), these reports have been acted upon.

4.5 Fundraising

The Academy Trust does not use any external fundraisers.

4.6 Streamlined Energy and Carbon Reporting

As the Academy Trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

5. Plans for Future Periods

With the transfer of all trust schools completed by 30th September 2024, plans to officially close the trust are underway.

Champion Education Trust

Trustees' Report

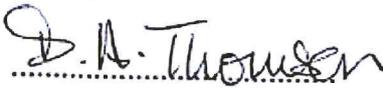
Year Ended 31st August 2024

6. Auditor

In so far 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.

The trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on09/12/2024.....and signed on the board's behalf by:



Mrs D Thomson
Chair of Trustees

Champion Education Trust

Governance Statement

Year Ended 31st August 2024

7.1 Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Champion Education 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.

The Board of Trustees has delegated the day-to-day responsibility to the Trust Leader, 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 Champion Education 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.

7.2 Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

Financial updates are given to the finance committee and Chair of the Trust each month and are discussed at each full Trust meeting.

The Board of Trustees has formally met 8 times during the period 1st September 2023 to 31st August 2024. Attendance at meetings of the Board of Trustees was as follows:

Trustee	Meetings Attended	Out of a Possible
Mrs D Thomson (chair)	7	8
Mr P Bradbury (resigned 10/10/23)	0	0
Mrs J Byrne	7	8
Mr M Hindle	3	8
Mrs C Hollister	6	8
Mrs A Howard	8	8
Mrs D Johnson	8	8
Mr A Terry	3	8
Mrs H Wood	0	2
Mrs Y Arshad (appointed 17/10/23)	2	7

An external governance review was carried out in 2022/23. The Trust is currently reviewing the report and drawing up an action plan.

Trustees are allocated to one or more of the three committees which are Finance and Resources, Audit and Standards. These committees meet on a regular termly cycle. There is also the pay committee that meets once a year in the autumn term and comprises the chairs of the Trust, finance and standards committees. Each academy has a Local Governing Body that meet once per term.

The **finance and resources committee** is a sub-committee of the main Board of Trustees. Its purpose is to consider and recommend to the Board, acceptance or non-acceptance of the academies budgets each financial year, ensure compliance with the academies financial handbook, review financial policies, assess performance against budgets and receive reports and action as necessary on property and human resources matters.

Champion Education Trust

Governance Statement

Year Ended 31st August 2024

Attendance at meetings in the year was as follows:

Trustee	Meetings Attended	Out of a Possible
D Johnson	2	2
A Terry	2	2
D Thomson	1	2

The **audit committee** is also a sub-committee of the main Board of Trustees. Its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework.

Attendance at meetings in the year was as follows:

Trustee	Meetings Attended	Out of a Possible
J Byrne	2	2
A Terry	2	2
D Thomson	2	2

7.3 Review of Value for Money

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

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

- Developing robust financial procedures to ensure segregation of duties and consistency across all schools.
- Introduction of a new finance software system encompassing budgeting and accounts.
- Centralising the finance function to avoid duplication within the Trust.
- Shared procurement across all schools e.g. multi-function device contracts.

7.4 The Purpose of the System of Internal Control

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

7.5 Capacity to Handle Risk

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

Champion Education Trust

Governance Statement

Year Ended 31st August 2024

7.6 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 purchased an internal audit service from SBM Services during the year.

7.7 Review of Effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Board of Trustees on09/12/2024..... and signed on its behalf by:



Mrs D Thomson
Chair of Trustees



Mr J Franklin-Smith
Accounting Officer

Champion Education Trust

Statement on Regularity, Propriety and Compliance

Year Ended 31st August 2024

As Accounting Officer of Champion Education Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, received by the Academy Trust, under the funding agreement in place 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 Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2023.

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



Mr J Franklin-Smith
Accounting Officer

Date: 09/12/2024

Champion Education Trust

Statement of Trustees' Responsibilities

Year Ended 31st August 2024

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- 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 operation.

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 to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education & Skills Funding Agency and Department for Education 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 on09/12/2024.....and signed on its behalf by:



Mrs D Thomson
Chair of Trustees

Champion Education Trust

Independent Auditor's Report to the Members of Champion Education Trust

Year Ended 31st August 2024

Opinion

We have audited the financial statements of Champion Education Trust (the 'Academy Trust') for the year ended 31st August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at the 31st August 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Emphasis of Matter – Going Concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1 of the financial statements which explains the intention to transfer the operational activities, assets and liabilities of the constituent schools of the Academy Trust to other established multi academy trust's after the year end date. We draw attention to the fact the financial statements have therefore been prepared on a basis other than going concern.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of a basis other than going concern in the preparation of the financial statements is appropriate.

We draw attention to note 1 of the financial statements which explains that it is the intention of the Trustees to transfer the operational activities, assets and liabilities of the constituent schools of the Academy Trust to other established multi academy trust's after the year end date. Accordingly the financial statements have been prepared on a basis other than going concern as described in the note.

(Continued)

Champion Education Trust

Independent Auditor's Report to the Members of Champion Education Trust

Year Ended 31st August 2024

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the Academy Trust 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 Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

(Continued)

Champion Education Trust

Independent Auditor's Report to the Members of Champion Education Trust

Year Ended 31st August 2024

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.

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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The extent to which the audit was capable of detecting irregularities including fraud

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

- we identified the laws and regulations applicable to the academy from our knowledge and experience of the academy sector.
- the engagement partner ensured that the engagement team collectively had the appropriate competence and skills to identify non compliance with applicable laws and regulations.
- we assessed the extent of compliance with the laws and regulations through making enquiries of management and reviewing legal correspondences.
- we reviewed minutes of meetings of those charged with governance.
- we assessed the risk of management override of controls, including through journal testing and other adjustments for appropriateness.
- we reviewed the reports of the internal auditor appointed by the school in the accounting period.
- we reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with laws and regulations.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non compliance. Also the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Champion Education Trust

Independent Auditor's Report to the Members of Champion Education Trust

Year Ended 31st August 2024

Use of our report

This report is made solely to the Academy Trust'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 Trust'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 Trust and the Academy Trust's Members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Mr Robert Mitchell FCA (Senior Statutory Auditor)
For and on behalf of CWR Chartered Accountants
20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

Date: 09/12/2024

Champion Education Trust

Independent Reporting Accountant's Assurance Report on Regularity to Champion Education Trust and the Education & Skills Funding Agency

Year Ended 31st August 2024

In accordance with the terms of our engagement letter dated 31st August 2024 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Champion Education Trust during the year from the 1st September 2023 to the 31st August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Champion Education Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Champion Education Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from the 1st September 2023 to the 31st August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw our conclusions includes:

- Obtaining evidence including those tests relevant to the circumstances of the Academy Trust as prescribed in Section 4 of the Guide For External Auditors section of the Academies Accounts Direction 2023 to 2024 issued by the ESFA; and
- Planning and performing any additional tests we deemed necessary to express and opinion on regularity.

(Continued)

Champion Education Trust

**Independent Reporting Accountant's Assurance Report on Regularity to Champion Education Trust
and the Education & Skills Funding Agency**

Year Ended 31st August 2024

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from the 1st September 2023 to the 31st August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....*RM*.....

Mr Robert Mitchell FCA (Senior Statutory Auditor)
For and on behalf of CWR Chartered Accountants
20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

Date:*09/12/2024*.....

Champion Education Trust

Statement of Financial Activities incorporating Income & Expenditure Account

Year Ended 31st August 2024

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2024 £000	Total 2023 £000
Income and endowments from:						
Donations and capital grants	2	-	43	344	387	768
Charitable activities:						
Funding for the Academy Trust's educational operations	3	-	12,527	-	12,527	10,785
Other trading activities	4	357	-	16	373	229
Investments	5	22	-	-	22	-
Total		379	12,570	360	13,309	11,782
Expenditure on:						
Charitable activities:						
Academy trust's educational operations	7	379	12,097	385	12,861	11,753
Total		379	12,097	385	12,861	11,753
Net income/(expenditure)		-	473	(25)	448	29
Transfers between funds	16	-	(13)	13	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	16, 27	-	(732)	-	(732)	1,113
Net movement in funds		-	(272)	(12)	(284)	1,142
Reconciliation of funds:						
Total funds brought forward	16	619	940	25,306	26,865	25,723
Total funds carried forward	16	619	668	25,294	26,581	26,865

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

Champion Education Trust

Balance Sheet

Year Ended 31st August 2024

	Notes	2024 £000	2024 £000	2023 £000	2023 £000
Fixed assets					
Investments	12		250		-
Tangible assets	13		25,294		25,242
Current assets					
Debtors	14	632		1,210	
Cash at bank and in hand		1,581		708	
		<u>2,213</u>		<u>1,918</u>	
Liabilities					
Creditors: Amounts falling due within one year	15	<u>1,176</u>		<u>932</u>	
Net current assets			<u>1,037</u>		<u>986</u>
Total assets less current liabilities			26,581		26,228
Creditors: Amounts falling due after more than one year			-		-
Net assets excluding pension liability			<u>26,581</u>		<u>26,228</u>
Defined benefit pension scheme asset	27		-		637
Net assets including pension liability			<u>26,581</u>		<u>26,865</u>
Funds of the Academy Trust:					
Restricted funds					
Fixed asset fund	16	25,294		25,306	
Restricted income fund	16	668		303	
Pension reserve	16	-		637	
Total restricted funds			<u>25,962</u>		<u>26,246</u>
Unrestricted income funds	16		619		619
Total funds			<u>26,581</u>		<u>26,865</u>

The financial statements on pages 21 to 48 were approved by the trustees, and authorised for issue on the09/12/2024..... and are signed on their behalf by:



Mrs D Thomson
Chair of Trustees

Company Limited by Guarantee
Registration Number: 11630363

Champion Education Trust

Statement of Cash Flows

Year Ended 31st August 2024

	Notes	2024 £000	2023 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	1,178	(716)
Cash flows from investing activities	22	(305)	(113)
Cash flows from financing activities	21	-	-
Change in cash and cash equivalents in the reporting period		<u>873</u>	<u>(829)</u>
Cash and cash equivalents at 1st September 2023		708	1,537
Cash and cash equivalents at 31st August 2024	23/24	<u>1,581</u>	<u>708</u>

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

1 Accounting policies

General information and basis of preparation

Champion Education Trust is a company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 2 of these financial statements and the principal place of business is Haslingden Road, Blackburn, BB2 3HJ. The nature of the Academy Trusts operations and principal activities are set out in the Trustees' Report on page 3.

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102) 2019), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

Going concern

The Trustees assess whether the use of going concern is appropriate. In making this assessment they consider whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees are not aware of any material uncertainties which would cast doubt on the Academy Trust's constituent school's ability to continue to fulfil their daily operational charitable objectives. However, on the 1st September 2024, the operational activities, assets and liabilities of Lotus School and Crosshill Special School were transferred to Synergy Education Trust and Oak Learning Partnership respectively. On the 1st October the operational activities, assets and liabilities of Blackburn Central High School were transferred to Oak Learning Partnership. Champion Education Trust will subsequently cease operations as a multi academy trust and will be dissolved in due course. However, as the constituent schools will continue to operate after the transfer, no further adjustments have been applied as a result of ceasing to apply the going concern basis.

Income

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

- **Grants receivable**

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 period for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

1 Accounting policies (continued)

Income (continued)

- **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 period it is receivable and to the extent the Academy Trust has provided goods or services.

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and "Income from other trading activities". Upon sale, the value of the stock is charged against "Income from other trading activities" and the proceeds are recognised as "Income from other trading activities". Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within "Income from other trading activities".

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.

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

1 Accounting policies (continued)

Expenditure (continued)

- **Expenditure on raising funds**

This includes all expenditure incurred by the Academy Trust 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 Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific restrictions 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:

Leasehold buildings	Over 125 years straight line
Furniture and equipment	33% straight line
Computer equipment	33% straight line
Motor vehicles	33% 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.

The building valuation for Blackburn Central High School represents the value of leasehold assets as per the ESFA valuation carried out in 2020. In this valuation the leasehold buildings were valued at £18,255,000 using a depreciated replacement cost model.

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

1 Accounting policies (continued)

The valuation of Lotus school is per the building cost with this being a brand new facility in 2021 on a 125 year lease from the Local Authority at a peppercorn rental. The cost price was provided by the Local Authority valuing the buildings at £4,519,000.

In January 2022, Crosshill moved into the Sunnyhurst site. The site is under a 125 year lease from the Local Authority at a peppercorn rental. A valuation of £810,000 was provided by the Local Authority at the point of transfer.

Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA 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 administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 29.

Liabilities

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

Provisions

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

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.

Leased assets

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

Financial instruments

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

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

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

1 Accounting policies (continued)

Financial instruments (continued)

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

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

Pensions Benefits

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 net operating income/(expenditure) 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 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. As the Academy Trust cannot draw down on surplus funds and does not "control" the asset, any overall scheme surplus has been restricted in order to recognise a £nil asset/liability.

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

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

1 Accounting policies (continued)

Fund Accounting

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

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 31st March 2022 has been used by the actuary in valuing the pensions liability at 31st August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2024 £000	Total 2023 £000
ESFA capital grants	-	35	35	98
Local Authority Capital grants	-	309	309	614
Trips and other non public funds	-	43	43	56
	<u>-</u>	<u>387</u>	<u>387</u>	<u>768</u>

Income from donations and capital grants was £387,000 (2023 - £768,000) of which £nil (2023 - £nil) was attributable to unrestricted funds, £43,000 (2023 - £56,000) was attributable to restricted general funds and £344,000 (2023 - £712,000) was attributable to restricted fixed asset funds.

£344,000 (2023 - £712,000) of government grants were received for capital and maintenance works.

3 Funding for Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2024 £000	Total 2023 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	8,152	8,152	7,685
Other DfE Group grants:				
Pupil Premium	-	467	467	406
Supplementary grant	-	-	-	175
Main Stream Additional grant	-	219	219	91
Teacher Pay grant	-	123	123	-
Teacher Pension grant	-	61	61	-
Rates grant	-	38	38	38
Other grants	-	11	11	65
	<u>-</u>	<u>9,071</u>	<u>9,071</u>	<u>8,460</u>
Other Government grants				
Local Authority grants	-	3,240	3,240	2,116
Other Government Grants	-	16	16	-
	<u>-</u>	<u>3,256</u>	<u>3,256</u>	<u>2,116</u>
Exceptional Government funding				
Other DfE/ESFA Covid-19 funding	-	200	200	209
	<u>-</u>	<u>200</u>	<u>200</u>	<u>209</u>
Total	<u>-</u>	<u>12,527</u>	<u>12,527</u>	<u>10,785</u>

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

3 Funding for Academy Trust's educational operations (continued)

Funding for Academy Trust's educational operations was £12,527,000 (2023 - £10,785,000) of which £nil (2023 - £nil) was attributable to unrestricted funds, £12,527,000 (2023 - £10,785,000) was attributable to restricted general funds and £nil (2023 - £nil) was attributable to restricted fixed asset funds.

£12,527,000 (2023 - £10,785,000) of government grants were received for the purposes of the day to day running costs of the Academy and its charitable objectives.

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2024 £000	Total 2023 £000
Hire of facilities	33	-	33	11
Catering income	174	-	174	142
Sale of educational goods and services	63	-	63	42
Supplies of staff	71	-	71	9
Chromebook income	16	-	16	25
Insurance claim	-	16	16	-
	<u>357</u>	<u>16</u>	<u>373</u>	<u>229</u>

Income from other trading activities was £373,000 (2023 - £229,000) of which £357,000 (2023 - £229,000) was attributable to unrestricted funds, £nil (2023 - £nil) was attributable to restricted general funds and £16,000 (2023 - £nil) was attributable to restricted fixed asset funds.

5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2024 £000	Total 2023 £000
Short term deposits	22	-	22	-
	<u>22</u>	<u>-</u>	<u>22</u>	<u>-</u>

Investment income was £22,000 (2023 - £nil) of which 22,000 (2023 - £nil) was attributable to unrestricted funds, £nil (2023 - £nil) was attributable to restricted general funds and £nil (2023 - £nil) was attributable to restricted fixed asset funds.

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

6 Expenditure

	Staff Costs £000	Non Pay Expenditure		Total 2024 £000	Total 2023 £000
		Premises £000	Other Costs £000		
Academy Trust's educational operations					
Direct costs	8,471	347	643	9,461	8,728
Allocated support costs	1,003	1,609	788	3,400	3,025
	<u>9,474</u>	<u>1,956</u>	<u>1,431</u>	<u>12,861</u>	<u>11,753</u>

£379,000 (2023 - £229,000) of the above expenditure on the Academy Trust's educational operations was attributable to unrestricted funds, £12,097,000 (2023 - £11,129,000) was attributable to restricted general funds and £385,000 (2023 - £395,000) was attributable to restricted fixed asset funds.

Net income/expenditure for the year includes:

	2024 £000	2023 £000
Operating lease rentals	69	46
Depreciation	385	395
(Gain)/loss on disposal of fixed assets	-	-
Fees payable to the auditor for:		
Audit	8	8
Other services	14	12
	<u>476</u>	<u>461</u>

No additional transactions have taken place under Section 5.2 of the 2023 Academies Financial Handbook which require additional disclosure.

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

7 Charitable activities

	Total 2024 £000	Total 2023 £000
Direct costs – educational operations	9,461	8,728
Support costs – educational operations	3,400	3,025
	<u>12,861</u>	<u>11,753</u>

Analysis of direct costs	Educational Operations £000	Total 2024 £000	Total 2023 £000
Direct staff costs	8,471	8,471	7,696
Learning resources	202	202	235
ICT costs	173	173	180
Examination fees	90	90	91
School trips and visits	47	47	82
Depreciation	347	347	355
Other direct costs	131	131	89
Total direct costs	<u>9,461</u>	<u>9,461</u>	<u>8,728</u>

Analysis of support costs	Educational Operations £000	Total 2024 £000	Total 2023 £000
Support staff costs	1,003	1,003	984
Depreciation	38	38	40
Premises costs	1,571	1,571	1,427
Legal costs – conversion	26	26	-
Other support costs	729	729	544
Governance costs	33	33	30
Total support costs	<u>3,400</u>	<u>3,400</u>	<u>3,025</u>

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

8 Staff

(a) Staff costs

	2024 £000	2023 £000
Staff costs during the period were:		
Wages and salaries	6,881	6,302
Social security costs	709	634
Pension costs	1,336	1,285
	<u>8,926</u>	<u>8,221</u>
Agency staff costs	499	459
Staff restructuring costs	49	-
	<u>9,474</u>	<u>8,680</u>
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	49	-
Other restructuring costs	-	-
	<u>49</u>	<u>-</u>

(b) Severance payments

The Academy Trust paid 2 severance payments in the year, disclosed in the following bands:

	No.
£0 - £25,000	1
£25,001 - £50,000	1
£50,001 - £100,000	-
	<u>2</u>

(c) Special severance payments

Included in staff restructuring costs are special severance payments totalling £9,000 (2023: £nil). Individually, the payments were £9,000.

(d) Staff numbers

The average number of persons employed by the Academy Trust during the year, and the full-time equivalents, was as follows:

	2024 Number	2024 Full-time equivalent	2023 Number	2023 Full-time equivalent
Teachers	76	73	74	71
Administration and support	108	84	110	82
Management	21	21	18	18
	<u>205</u>	<u>178</u>	<u>202</u>	<u>171</u>

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

8 Staff (continued)

(e) Higher paid staff

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

	2024 No.	2023 No.
£60,001 - £70,000	14	10
£70,001 - £80,000	4	5
£80,001 - £90,000	3	1
£90,001 - £100,000	1	1
£100,001 - £110,000	-	-
£110,001- £120,000	1	1
	<u>23</u>	<u>18</u>

(f) Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team. 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 Trust was £1,797,000 (2023: £1,498,000).

9 Central services

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

- Educational oversight
- Central policies
- HR advice and guidance
- Centralised finance/business management services
- Audit and accounting
- Legal support
- Clerking of meetings
- Health and safety advice

The Academy Trust charges for these services on the basis of a charge against recurrent GAG income.

The actual amounts charged during the year were as follows:

	2024 £000	2023 £000
Blackburn Central High School	346	283
Crosshill Special School	181	119
Lotus School	113	31
	<u>640</u>	<u>433</u>

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

10 Related party transactions - Trustees' remuneration and expenses

No trustees have been paid remuneration or have received other benefits from employment with the Academy Trust.

During the year ended 31st August 2024, no travel and subsistence expenses were reimbursed or paid directly to trustees (2023: £nil to trustees).

Other related party transactions involving the trustees are set out in note 28.

11 Trustees' and officers' insurance

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

12 Investments

	Cash deposits £000	Total £000
Cost		
At 1 st September 2023	-	-
Additions	250	250
At 31 st August 2024	<u>250</u>	<u>250</u>
Valuation adjustments		
At 1 st September 2023	-	-
Charged in year	-	-
At 31 st August 2024	<u>-</u>	<u>-</u>
Carrying amount		
At 31 st August 2023	-	-
At 31 st August 2024	<u>250</u>	<u>250</u>

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

13 Tangible fixed assets

	Leasehold Land and Buildings £000	Furniture and Fixtures £000	Computer Equipment £000	Total £000
Cost				
At 1 st September 2023	26,395	187	513	27,095
Additions	291	75	71	437
Disposals	-	-	-	-
At 31 st August 2024	26,686	262	584	27,532
Depreciation				
At 1 st September 2023	1,397	144	312	1,853
Charged in period	213	52	120	385
Disposals	-	-	-	-
At 31 st August 2024	1,610	196	432	2,238
Net book values				
At 31 st August 2023	24,998	43	201	25,242
At 31 st August 2024	25,076	66	152	25,294

14 Debtors

	2024 £000	2023 £000
Trade debtors	14	13
VAT recoverable	140	178
Capital grant debtor	-	604
Other debtors	370	320
Prepayments and accrued income	108	95
	632	1,210

15 Creditors: amounts falling due within one year

	2024 £000	2023 £000
Trade creditors	815	361
Other taxation and social security	-	-
Other creditors	170	186
Accruals and deferred income	191	385
	1,176	932

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

16 Funds

	Balance at 1 st September 2023 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 st August 2024 £000
Restricted general funds					
General Annual Grant (GAG)	303	8,152	(7,774)	(13)	668
Pupil premium grant	-	467	(467)	-	-
Mainstream Additional grant	-	219	(219)	-	-
Teachers Pay grant	-	123	(123)	-	-
Teachers Pension grant	-	61	(61)	-	-
Rates grant	-	38	(38)	-	-
Other DfE/ESFA grants	-	211	(211)	-	-
Local Authority grants	-	3,256	(3,256)	-	-
Other restricted funds	-	43	(43)	-	-
Pension reserve	637	-	95	(732)	-
	940	12,570	(12,097)	(745)	668
Restricted fixed asset funds					
Building valuation on conversion	22,358	-	(190)	-	22,168
DfE/ESFA capital grants	64	35	-	(99)	-
Local Authority capital grant	-	309	-	(309)	-
Insurance claim	-	16	-	(16)	-
Other capitalised assets	2,884	-	(195)	437	3,126
	25,306	360	(385)	13	25,294
Total restricted funds	26,246	12,930	(12,482)	(732)	25,962
Total unrestricted funds	619	379	(379)	-	619
Total funds	26,865	13,309	(12,861)	(732)	26,581

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

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31st August 2024. At the period end the carry forward of GAG funding was £668,000.

Other DfE/ESFA grants include monies received outside of GAG funding for example funding for additional costs due to Covid-19. All this funding was utilised during the current accounting period.

Local Authority grants represent amounts payable to the Academy predominantly from Blackburn with Darwen (BwD) Borough Council and Blackpool Council. This includes funds which relate specifically to Special Educational Needs (SEN) funding. As at the 31st August 2024 these funds had been spent in full.

Other restricted funds include monies from trips & non public funds. During the period the trips & non public funds had no excess expenditure over income.

The pension reserve represents the value of the Trust's share of the surplus/(deficit) in the Local Government Pension Scheme. Due to the effect of the asset ceiling implemented in the valuation approach this year, the scheme reports no overall deficit or surplus at the 31st August 2024.

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

16 Funds (continued)

DfE/ESFA capital grants represent capital monies received during the period from the DfE/ESFA. All of these funds had been utilised in the period. Local Authority capital grants were also receivable and as at 31st August 2024 had been utilised in the year.

The building valuation on conversion represents the value of the building assets of Blackburn Central High School, Crosshill Special School and Lotus School. These buildings will be depreciated in line with the accounting policies set out in note 1.

Other capitalised assets post conversion represents the value of assets purchased since conversion to academy status. These will be depreciated in line with the accounting policies set out in note 1.

Unrestricted funds represent funds generated via activities such as from catering and the supply of staff. The surplus on this fund at the period end was £619,000 as these funds also include the historic conversion surplus on transfer to academy status. These funds can be used at the discretion of the Trustees to meet the charitable objectives of the Academy.

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

	Balance at 1 st September 2022 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 st August 2023 £000
Restricted general funds					
General Annual Grant (GAG)	451	7,685	(7,906)	73	303
Pupil premium grant	-	406	(406)	-	-
Supplementary grant	-	175	(175)	-	-
Mainstream Additional grant	-	91	(91)	-	-
Rates grant	-	38	(38)	-	-
Other DfE/ESFA grants	-	274	(274)	-	-
Local Authority grants	-	2,116	(2,116)	-	-
Other restricted funds	-	56	(56)	-	-
Pension reserve	(409)	-	(67)	1,113	637
	42	10,841	(11,129)	1,186	940
Restricted fixed asset funds					
Building valuation on conversion	22,512	-	(154)	-	22,358
DfE/ESFA capital grants	-	98	-	(34)	64
Local Authority capital grant	-	614	-	(614)	-
Other capitalised assets	2,300	-	(241)	825	2,884
	24,812	712	(395)	177	25,306
Total restricted funds	24,854	11,553	(11,524)	1,363	26,246
Total unrestricted funds	869	229	(229)	(250)	619
Total funds	25,723	11,782	(11,753)	1,113	26,865

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

16 Funds (continued)

Total funds analysis by academy

Fund balances at 31st August 2024 were allocated as follows:

	2024	2023
	£000	£000
Blackburn Central High School	769	538
Crosshill Special School	494	359
Lotus School	24	-
Central services	-	25
Total before fixed assets and pension reserve	<u>1,287</u>	<u>922</u>
Restricted fixed asset fund	25,294	25,306
Pension reserve	-	637
Total	<u>26,581</u>	<u>26,865</u>

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	Total 2024 £000	Total 2023 £000
BCHS	5,264	539	132	1,854	7,789	7,491
Crosshill School	2,070	177	44	325	2,616	1,881
Lotus School	983	100	26	363	1,472	1,458
Central services	154	187	-	258	599	528
Academy Trust	<u>8,471</u>	<u>1,003</u>	<u>202</u>	<u>2,800</u>	<u>12,476</u>	<u>11,358</u>

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

17 Analysis of net assets between funds

Fund balances at 31st August 2024 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Investments	-	250	-	250
Tangible fixed assets	-	-	25,294	25,294
Current assets	619	1,594	-	2,213
Current liabilities	-	(1,176)	-	(1,176)
Non-current liabilities	-	-	-	-
Pension scheme liability	-	-	-	-
Total net assets	<u>619</u>	<u>668</u>	<u>25,294</u>	<u>26,581</u>

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

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Investments	-	-	-	-
Tangible fixed assets	-	-	25,242	25,242
Current assets	619	1,235	64	1,918
Current liabilities	-	(932)	-	(932)
Non-current liabilities	-	-	-	-
Pension scheme asset	-	637	-	637
Total net assets	<u>619</u>	<u>940</u>	<u>25,306</u>	<u>26,865</u>

18 Capital commitments

	2024 £000	2023 £000
Contracted for, but not provided in the financial statements	<u>-</u>	<u>-</u>

19 Commitments under operating leases

Operating leases

At 31st August 2024 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2024 £000	2023 £000
Amounts due within one year	1	69
Amounts due between one and five years	-	109
Amounts due after five years	-	-
	<u>1</u>	<u>178</u>

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

20 Reconciliation of net income/(expenditure) to net cash inflow from operating activities

	2024 £000	2023 £000
Net income for the reporting period (as per the Statement of Financial Activities)	448	29
Adjusted for:		
Depreciation (note 13)	385	395
Capital grants from DfE and other capital income	(360)	(712)
Interest receivable (note 5)	(22)	-
Defined benefit pension scheme cost less contributions payable (note 27)	(50)	58
Defined benefit pension scheme finance cost (note 27)	(45)	9
Decrease/(increase) in debtors	578	(934)
Increase in creditors	244	439
Net cash provided by/(used in) operating activities	<u>1,178</u>	<u>(716)</u>

21 Cash flows from financing activities

	2024 £000	2023 £000
Repayments of borrowing	-	-
Cash inflows from borrowing	-	-
Net cash provided by/(used in) financing activities	<u>-</u>	<u>-</u>

22 Cash flows from investing activities

	2024 £000	2023 £000
Interest receivable	22	-
Investments into long term deposits	(250)	-
Purchase of tangible fixed assets	(437)	(825)
Capital grants from DfE/ESFA	35	98
Capital grants from Local Authority	309	614
Capital funding received from others	16	-
Net cash (used in) investing activities	<u>(305)</u>	<u>(113)</u>

23 Analysis of cash and cash equivalents

	2024 £000	2023 £000
Cash at bank and in hand	1,581	708
Total cash and cash equivalents	<u>1,581</u>	<u>708</u>

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

24 Analysis of changes in net debt

	At 1 st September 2023	Cash flows	Acquisition / disposal of subsidiaries	Finance leases	Other non-cash changes	At 31 st August 2024
Cash	708	873	-	-	-	1,581
Cash equivalents	-	-	-	-	-	-
Overdraft facilities repayable on demand	-	-	-	-	-	-
	708	873	-	-	-	1,581
Loans falling due within one year	-	-	-	-	-	-
Loans falling due after more than one year	-	-	-	-	-	-
Finance lease obligations	-	-	-	-	-	-
	-	-	-	-	-	-
Total	708	873	-	-	-	1,581

25 Contingent Liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any capital asset for which a Government Capital grant was received, the School is required to either re-invest the proceeds or to repay the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State, as the Secretary of State may require.

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 Pension and similar obligations

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

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

Contributions amounting to £23,000 (2023: £42,000) were payable to the schemes at 31st August 2024 and are included within creditors.

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

27 Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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 along with those made by employers 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 31st March 2020. The valuation report was published by the Department for Education on 27th October 2023 with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

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

The result of this valuation will be implemented from 1st April 2024. The next valuation result is due to be implemented from 1st April 2028

The employer's pension costs paid to the TPS in the period amounted to £883,000 (2023: £792,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Academy Trust has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

27 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31st August 2023 was £555,000 (2023: £520,000), of which employer's contributions totalled £417,000 (2023: £397,000), and employees' contributions totalled £138,000 (2023: £123,000). The agreed contribution rates for future years are 18.8% for employers and the rate for employees remains dependant on the earnings of the employee.

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

As described in note 1 the LGPS obligation relates to the employees of the Academy Trust, 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 period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

Principal Actuarial Assumptions	At 31 st August 2024	At 31 st August 2023
Rate of increase in salaries	4.1%	4.3%
Rate of increase for pensions in payment / inflation	2.7%	2.9%
Discount rate for scheme liabilities	5.0%	5.3%
Inflation assumption (CPI)	2.6%	2.8%

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

	At 31 st August 2024	At 31 st August 2023
<i>Retiring today</i>		
Males	21.0	21.0
Females	23.5	23.4
<i>Retiring in 20 years</i>		
Males	22.2	22.2
Females	25.3	25.2

Sensitivity analysis

	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4
Central £000	+0.5% pa discount rate £000	+0.25% pa inflation £000	+0.25% pa pay growth £000	1 year inc in life expectancy £000
Liabilities	6,256	5,650	6,583	6,381
Assets	(7,045)	(7,045)	(7,045)	(7,045)
Deficit/(surplus)	(789)	(1,395)	(462)	(664)
Projected service cost	362	307	392	371
Projected net interest	(51)	(89)	(35)	(45)

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

27 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 st August 2024	Fair value at 31 st August 2023
Equities	3,360	2,888
Gilts	7	24
Corporate bonds	7	-
Property	599	567
Cash and other liquid assets	99	36
Other	2,973	2,452
Total market value of assets	7,045	5,967

The actual return on scheme assets was £467,000 (2023: £105,000).

Amounts recognised in the statement of financial activities

	2024 £000	2023 £000
Current service cost (net of employer contributions)	64	(46)
Interest income	333	199
Interest expense	(288)	(208)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Admin expenses	(14)	(12)
Total operating credit/(charge)	95	(67)

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

27 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2024	2023
	£000	£000
At 1st September	5,330	4,790
Current service cost	353	443
Past service cost	-	-
Interest cost	288	208
Employee contributions	138	123
Actuarial loss/(gain)	79	(226)
Benefits paid	68	(8)
Losses or gains on curtailments	-	-
Past service costs	-	-
Unfunded pension payments	-	-
Effect of non-routine transactions	-	-
At 31st August	<u>6,256</u>	<u>5,330</u>

Changes in the fair value of Academy Trust's share of scheme assets:

	2024	2023
	£000	£000
At 1st September	5,967	4,381
Upon conversion	-	-
Interest income	333	199
Return on plan assets (excluding interest income)	-	-
Assets distributed on settlements	-	-
Actuarial gain	136	887
Employer contributions	417	397
Employee contributions	138	123
Benefits paid	68	(8)
Administration expenses	(14)	(12)
Effect of non-routine settlements	-	-
At 31st August	<u>7,045</u>	<u>5,967</u>

Surplus/(deficit) recognised in the financial statements:

	2024	2023
	£000	£000
Scheme assets	7,045	5,967
Scheme obligations	(6,256)	(5,330)
Surplus in scheme	789	637
Restriction of scheme assets	(789)	-
Surplus/(deficit) recognised in the financial statements	<u>-</u>	<u>637</u>

Champion Education Trust

Notes to the Financial Statements

Year Ended 31st August 2024

28 Related Party Transactions

Owing to the nature of the Academy Trust's operations 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 Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1st April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

29 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31st August 2024 the trust received £5,000 (2023: £5,000) and disbursed £5,000 (2023: £5,000) from the fund.

An amount of £nil (2023: £nil) is included in other creditors relating to undistributed funds that is repayable to ESFA.

30 Events after the balance sheet date

As documented in note 1 of the financial statements, from 1st October 2024 the operational activities, assets and liabilities of the constituent schools of Champion Learning Trust were transferred to other established multi academy trusts. Champion Education Trust will subsequently cease operations as a multi academy trust.

