

Company Registration Number: 07974434 (England & Wales)

Luddenham School
(A company limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2025

Luddenham School
(A company limited by guarantee)

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Reference and Administrative Details
For the Year Ended 31 August 2025

Members	R Woodroffe S Bayford M Hogben D Deeson (appointed 15 September 2025)
Trustees	D Deeson Chair (resigned as Chair 7 July 2025) (resigned as Trustee 31 August 2025) A Carroll (resigned 1 December 2024) C Mitchell (resigned 22 November 2024) A Sartre (resigned 22 November 2024) S K Bhagat (resigned 20 March 2025) C Vincett (Accounting Officer) G Burrows P Smith K Fisher (appointed Chair 7 July 2025) (resigned as Chair and Trustee 24 November 2025) P James J Mehigan N Perry (appointed 25 November 2024) (appointed Chair 26 November 2025) L Barnett (appointed 25 November 2024) (resigned 13 May 2025) K Wakefield (appointed 11 June 2025)
Company name	Luddenham School
Company registered number	07974434 (England and Wales)
Principal and registered office	Luddenham School, Faversham, Kent, ME13 DTE
Senior leadership team	C Vincett - Headteacher and Accounting Officer J Wickham - Deputy Headteacher V Harwood - School Business Manager
Independent auditors	UHY Hacker Young Chartered Accountants, Statutory Auditors Thames House Roman Square Sittingbourne Kent. ME10 4BJ
Bankers	Lloyds Bank plc, 49, High Street, Canterbury Kent, CT3 1AA

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Trustees' Report
For the Year Ended 31 August 2025

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

The Academy Trust operates an Academy for pupils aged 4 to 11 serving a catchment area in Faversham and the surrounding villages. It has a pupil capacity of 210 and had a roll of 202 in the school census on 3 October 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Luddenham School is a company limited by guarantee with no share capital (registration no. 07974434) and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy. The trustees are responsible for the charitable activities of Luddenham School and are also directors of the charitable company for the purposes of company law. The charitable company is known as Luddenham School.

The Academy was incorporated on 2 March 2012 and obtained Academy status from 1 April 2012.

The trustees of Luddenham School are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the academy trust undertakes to contribute to the assets 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.

Trustees' Indemnities

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost is included in the total insurance and cannot be separated out.

Method of Recruitment and Appointment or Election of Trustees

The members of the Academy Trust shall comprise:

- the signatories to the Memorandum; the Principal;
- 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;
- the Chair of the Trustees; and
- any person appointed under Article 16.

Each of the persons entitled to appoint members in Article 12 shall have the right, from time to time by written notice delivered to the office, to remove any member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The number of Trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The Academy Trust should have the following Trustees:

- up to 10 Trustees;
- any Staff Trustees;
- up to 1 Local Authority Trustee if appointed by the Local Education Authority under Article 51
- a minimum of 2 Parent Trustees;
- the Headteacher;
- any additional / further Trustees;
- the Academy Trust may also have any Co-opted Trustee appointed;
- the first Trustees shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006;
- future Trustees shall be appointed or elected, as the case may be.

The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

The trustees who were in office at 31 August 2025 and served throughout the year, except where shown, are listed on page 1.

Trustees' Report
For the Year Ended 31 August 2025

Policies and procedures adopted for the induction and training of trustees

During the period under review the Trustees held 7 meetings. The training and induction provided for new Trustees will depend on their existing experience. All new Trustees will be given a tour of the Academy and the chance to meet with staff and students. Trustees are provided with access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. Safeguarding training for all Trustees is delivered annually. As the number of new Trustees in any year is normally small, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

The management structure consists of the Trustees and the Senior Leadership Team with evolving Middle Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets, regular monitoring visits, and other data and making major decisions about the direction of the Academy, capital expenditure and participate in senior staff appointments. The Board of Trustees is structured in a way to provide sufficient attention to supporting both curriculum and operational matters of the Academy.

The Senior Leadership Team from September 2024 to August 2025 included the Headteacher, Deputy Headteacher and School Business Manager. The Headteacher is the Accounting Officer. Spending control is devolved to the Headteacher, with limits above which the Chair/Vice Chair of Trustees must countersign up to a certain limit, after which approval is required from the Board of Trustees.

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees reviewed the Pay and Remuneration Policy in line with other local academies with the aim of:

- Focusing on the importance of high-quality teaching and learning; improving standards and making a positive impact on pupil progress and outcomes
- Supporting the recruitment and retention of a high-quality workforce
- Ensuring all decisions on pay and reward are managed in a fair, just and transparent way, recognising and rewarding all staff appropriately and fairly for their contribution and achievements
- Ensuring the priorities and targets within the School Improvement Plan are fully supported

The Board of Trustees undertakes to:

- Reward all staff appropriately recognising their contribution to the school as individuals and as valued members of the school team
- Use the discretions and flexibility available within the various terms and conditions to recruit, reward and retain the highest quality staff according to the needs of the school
- Ensure that appropriate funding is allocated for performance pay progression for all groups of staff
- Ensure all staff are treated fairly and equitably under this policy
- Communicate the policy and related procedures to all staff ensuring that any appeal or other concerns are managed promptly, fairly and objectively
- Ensure compliance with the principles set down by the Committee on Standards in Public Life

Total remuneration paid to senior leadership personnel is set out in note 11(d).

Related Parties and other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of Luddenham School.

Luddenham School Friends Association is supporting the school and have contributed to the costs of running the school minibuses and trips as well as purchasing books for novel study and funding towards developing our lunchtime provision, Opal Play.

OBJECTIVES, STRATEGIES AND ACTIVITIES

Objects and Aims

The principal activity of the Academy is to advance for the public benefit, education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Our School aims to support our whole school vision of 'Every Child Can Achieve.' We believe that this is in all things that interest and inspire them to grow and become lifelong learners.

Trustees' Report
For the Year Ended 31 August 2025

Our Core Values also aim to support our curriculum in the following ways:

- Fairness - we believe that everyone has the right to be treated fairly based on who they are and what they need to achieve
- Leadership - we want our pupils to develop the skills to lead in various aspects of both their current and future life
- Imagination - we think children should be curious and creativity in their learning. To ask questions to find out more and acquire the knowledge and skills they need
- Grit - we want our children to be resilient and determined learners, keen to achieve in all aspects of the curriculum
- Honesty - we feel that owning our actions and words helps us become responsible individuals and learn from our mistakes
- Teamwork - we know that often more can be achieved when working with others and this requires skills to be harmonious and effective

The focal point of our School is the ethos behind 'Every Child Can Achieve'. We recognise and take account of the differences between individual children. The relationships with pupils and families reflect this ethos. We aim to make the school environment safe, welcoming, secure and stimulating for children. The school's curriculum must provide a sound general education for every child and provide a moral framework for life. We aim to establish an open, honest and informed partnership with our community. We practise collaborative decision making. We aim to provide value for money for the funds expended. We conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Luddenham School values diversity and seeks to give everyone in our School an equal chance to promote a positive self-image and to respect their individuality, providing for all pupils according to their needs.

Students will be happy and healthy, enthused by the intellectual, social and physical challenges posed by their experience at school. They will be independent learners, aware of how to learn and of the role of emotions and dispositions in the learning process, which they draw on to address challenge and difficulty, as well as success. We support students' mental health by reinforcing a wellbeing approach to behaviour and support. We prioritise getting to know the children by developing positive relationships between children and families.

All staff will have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers will enthuse and inspire others to explore new ideas. Parents will fulfil their roles as partners, recognising their role in the home/school partnership to ensure that their child realises his/her potential.

Trustees are responsible for providing a strategic view; the focus is on seeking areas which can add most value and setting the broad framework within which the Headteacher and staff should run the school. Key issues are to decide the strategy for improvement, through effective teaching and learning. The trustees, in their role as critical friend, bring support and advice, drawing on its members' knowledge and experience. Such experience is used to ensure adequate monitoring and questioning of the school's performance. The Board of Trustees, in its turn, answers to parents and the wider community.

Trustees maintain regular contact with the school through regular Board and Sub-committee meetings, as well as regular visits, providing guidance and direction whilst also maintaining a level of scrutiny on the delivery of education and support to pupils.

Objectives, Strategies and Activities

Equal opportunities:

We strive to make the best possible provision for all pupils/students, regardless of disability, ethnicity, culture, religious belief, national origin or status, gender or sexual orientation.

We respect diversity. We know that treating people equally is not simply a matter of treating everyone the same and try to ensure that every young person is given an equality of opportunity to develop socially, to learn and to enjoy community life. This means that we do our best to make reasonable adjustments for disability, recognise and celebrate cultural differences, and understand the different needs and experiences of boys and girls.

Disabled persons:

The Academy complies fully with the Equality Act 2010 regulations and is equipped to welcome and/ or teach any child or adult with a disability where possible. Trustees have adopted the equality policy in light of recommendations related to the 2010 Act.

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aim and objectives and in planning further activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. Luddenham School is part of the Swale Rural Cluster and has been an Academy since April 2012. The School is an average sized village primary school and serves the village, surrounding rural area and Faversham. It is situated in an area of outstanding natural beauty and in a rural location.

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Applications for entrance into Luddenham School should be made through Kent Primary Admissions Scheme. Applicants for a place at Luddenham School, in any other year group except reception class, will need to complete the standard In-Year Casual Admission Form (YCAF).

STRATEGIC REPORT

Achievement and Performance

Luddenham School is in its twelfth period of operation as an Academy and continues to maintain pupil numbers largely in line with recent history. Total children in the period ended 31 August 2025 numbered 202. The Academy continues to work hard to raise its profile in the local community.

- Luddenham School is an average sized village primary academy.
- The number of pupils known to be eligible for the pupil premium is higher than the national average and school has been promoting FSM application to families which required support. The percentage of SEN is broadly in line with national levels and EAL is below national levels. The delivery of structured educational support for these pupils is part of an inclusive learning experience.
- To meet the progress element a school needs to have sufficient progress scores in reading, writing and maths. The School Improvement Plan incorporates these development areas for the next academic year.
- A robust data tracking system is in place with accountability to teachers for progress and attainment through termly Teaching and Learning Review meetings five times a year, regular monitoring across the school and performance related pay.

The Academy was last inspected by Ofsted in July 2024, this was an ungraded inspection where we maintained our standing as a Good school. Senior leaders and Trustees were recognised for knowing the school well during this visit and already have plans in place to address the school next steps.

Key findings of the inspection included:

- The school has focused successfully on developing an interesting and engaging curriculum that builds on pupils' knowledge in each subject.
- Expectations of pupils' attendance and conduct is high.
- In most year groups, there is a clear focus on ensuring pupils have the knowledge they need for the next stage in their education.
- The school's clear behaviour policy is well understood and consistently applied by staff.
- Trustees know the school well. They have ensured that they are provided with an appropriate range of information to hold the school to account effectively.
- Staff are well trained and have strong subject knowledge.
- Staff take time to identify each pupil's individual needs and/or disabilities.

Key Performance Indicators

Key performance indicators are monitored monthly by the Headteacher, the Chair of Trustees and the School Business Manager. As funding is based on pupil numbers this is considered to be a key performance indicator. These KPIs are reviewed in greater detail and challenged as appropriate as part of regular review by the Operation Team throughout the academic year. In 2024-25 the Academy was funded on pupil numbers of 200 (2024: 199).

Another key financial performance indicator is staffing costs as a percentage of GAG, for 2025 this was 93% (2024: 93%).

Indicator	Actual
Average pupil numbers	202
Total unrestricted funds balance	£113k
Pupil to teacher ratio	23
Total income per pupil	£6,767
Total GAG per pupil	£5,079
Percentage of GAG to total income	75%
Percentage of total staff costs to total income	70%
Unrestricted Revenue reserve as a percentage of total income	8%
Cash balances at year-end	£267,000

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Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

Most of the academy's income is obtained from the Department for Education (DfE) in the form of recurrent grants, some of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2025 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

GAG income of £1,026k was used to support the whole school curriculum - we have developed our assessment approaches over the past year to support our curriculum changes and ensure interventions occur where required. We have begun our journey in using Opal Learning to support our lunchtime provision, and this will continue to be a main focus for the coming two years. Wellbeing activities and taking part in our Rangers days throughout the year have been a great success with our children. Sporting activities and a coronation event organised in the summer, as well as a whole school Christmas Panto Trip, have been highlights and memorable moments for all our pupils.

During the year ended 31 August 2025, total expenditure of £1,320k (2024: £1,296k) was met by recurrent grant funding from the DfE of £1,026k (2024: £960k) together with other income of £341k (2024: £324k). The surplus for the year before other recognised gains on the defined benefit pension scheme was £47k (2024: deficit of £12k).

	2025 (£000s)	2024 (£000s)
Overall net movement in funds for the year per SoFA	29	(28)
<u>Add:</u>		
Decrease / (increase) attributable to fixed asset fund	37	52
LGPS actuarial (gain)/loss	(266)	(6)
LGPS service and interest costs	(18)	(16)
Adjustment for restriction on pension asset	284	22
Total movement in year on revenue funds	66	24
Transfers from capital to revenue to fund expenditure	-	(15)
Operational surplus on revenue funds	66	9

The capital to revenue transfers of £nil (2024: £15k) represent transfers from revenue funds to the restricted fixed asset fund for revenue items acquired with capital funds.

At 31 August 2025, the net book value of fixed assets was £1,243k (2024: £1,277k). Movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy.

Financial position

The academy held fund balances at 31 August 2025 of £1,473k (2024: £1,444k) comprising £1,360k (2024: £1,344k) of restricted funds and £113k (2024: £100k) of unrestricted general funds. Of the restricted funds, £1,245k (2024: £1,277k) is represented by tangible fixed assets which includes £2k (2024: £5k) of unspent capital grants and £115k (2024: £62k) is represented by other restricted income funds. The pension reserve, relating to the present value of the Local Government Pension Scheme defined benefit liability, shows a £nil balance at 31 August 2025 (2024: £nil). In accordance with accounting requirements, the academy trust's share of LGPS is carried on the Balance Sheet, with movements each year quantified by the Local Authority's actuary and reflected through the SOFA.

Trustees' Report
For the Year Ended 31 August 2025

The valuation report received from the Local Authority appointed actuary indicated that a pension accounting surplus existed at 31 August 2025. The accounting standards state that if an employer has an accounting surplus, it should only be recognised to the extent that it is able to recover the surplus either through reduced contributions in the future, or through refunds. However, there are differing opinions across the whole of the public sector and the accounting profession as to the extent to which a pension surplus represents an "unconditional right" of employers and therefore the extent to which the surplus can be recognised as being of economic value, and to date the DfE have been unable to give any guidance to academy trusts. The Trustees have therefore taken the view that, as a long-term employer open to new members, there is not a reasonable expectation of ever reaching a point of cessation and therefore being able to access a return of surplus. Accordingly, the surplus has not been included and a break-even £nil position has been reflected on the Balance Sheet. The pension surplus is disclosed in note 3 and the actuarial assumptions and other movements in the year are disclosed in note 23.

It is noteworthy that any pension surplus or deficit is merely an accounting figure calculated under FRS 102 for the purposes of the financial statements and has no direct effect on the employer contribution rate paid by the Academy Trust, which is determined using longer-term funding assumptions. These contribution rates are reviewed every three years in consultation with the scheme's administrators, and current employer contributions due by the academy trust are fixed until 1 April 2026.

Reserves Policy

The trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The review includes an element of reserve required for the day-to-day running of the academy, and specific calculations to cover significant financial requirements triggered by a sudden requirement in terms of teaching or physical infrastructure. The trustees have determined that the appropriate level of unrestricted reserves should be approximately £140k (2024: £140k).

The reason for the day-to-day element is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with fluctuations in routine expenditure. Unexpected emergencies, such as urgent maintenance or a long-term staff absence, can be initially covered by the specific element of the reserves held. The academy's current level of unrestricted reserves is £113k (2024: £100k) (total funds less the amount held in fixed assets and restricted funds) is much less than is needed. The academy intends to make every effort to build up free reserves to the level needed.

Investment Policy

Under the Memorandum and Articles of Association, the academy has the power to invest funds not immediately required for its own purposes, in any way the trustees see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

Principal Risks and Uncertainties

The trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Headteacher has implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, building and school trips) and in relation to the control of finance. The trustees have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 13.

Luddenham has considerable reliance on continued government funding through the DfE. In the last year 95% (2024: 95%) of the academy's income was ultimately government funded and whilst this level is expected to continue, there is no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the academy's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the academy is dependent on continuing to attract and retain applicants and pupils in sufficient numbers by maintaining the highest educational standards. The school has advertised in the local press to raise its profile through press releases. To mitigate this risk trustees continue to review and ensure that student success and achievement are closely monitored and reviewed.

Safe guarding and child protection - the trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

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Staffing - the success of the academy is reliant on the quality of its staff and so the trustees monitor and review policies and procedures to ensure continued development and training of staff, as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - the academy has appointed an Internal Audit firm to carry out checks as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis. The risk of a cyber-attack has been added to the register.

Financial and risk management objectives and policies

The financial risks to which Luddenham School is exposed to relates primarily to:

- Change in government and legislation
- Potential of reduced funding and cash flow
- Poor student recruitment
- Interruption to continuity of teaching
- Cyber risk

A risk arises in relation to the defined benefit pension scheme, even though the valuation at 31 August 2025 shows an asset position which is reduced to £Nil once the asset ceiling calculation is applied (2024: £nil).

Physical / estate risk:

The trustees understand the importance to take a strategic approach to manage the school estate and facilities, by ensuring that good governance arrangements are in place and by identifying the needs and risks for the school by providing a safe environment for all. The Headteacher ensures that there is full compliance with all health and safety regulations which is verified annually by a health and safety audit undertaken by an external qualified consultant.

Building checks are carried out by the caretaker and the school business manager who are appropriately skilled and trained to undertake a wide variety of tasks. External assistance is quality assured and sourced where skills are not available within the school. Major works are scheduled during school holidays wherever possible and out of school hours in order to minimise the impact to our children and day-to-day operations.

FUNDRAISING

The Academy Trust does not employ any professional fundraisers to fund raise on its behalf but all staff members and any volunteers involved in fundraising activities are trained in accordance with recognised standards so as to ensure that the public, including vulnerable people, are protected from unreasonable or intrusive approaches. The Academy Trust has not received any complaints about its fund-raising activities.

STREAMLINED ENERGY AND CARBON REPORTING

As Luddenham School is not a large company under Companies Act 2006 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.

PLANS FOR FUTURE PERIODS

Luddenham continually strives to improve the opportunities on offer to the children to ensure that they get the very best start to their education.

The school has a good understanding of its current strengths and priorities, recognised in the latest Ofsted Inspection. The school continues to re-establish good use of collaborative working with several local primary academies to secure its judgement on the quality of provision and subsequent outcomes as well as 5 other local primary schools. The School Improvement Plan (SIP) has all areas identified for improvement and is based on regular analysis of soft and hard data which is meticulously analysed by the Headteacher and the Senior Leadership Team. The SIP is regularly monitored and SLT feedback on the SIP termly. The SIP is amended annually by the SLT and Trustees. It is underpinned by appropriate budget links. Moving forward into the next academic year, the priorities for the school include:

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For the Year Ended 31 August 2025

- Raising the attainment of pupils to be in line or above national, particularly in writing and maths
- To continue to develop and embed the curriculum to ensure it is adaptative to the needs of our children
- To develop the confidence and expertise of teachers in using data to adapt teaching and learning to narrow learning gaps and maximise progress.

Luddenham Rangers Day has continued with more visitors coming into school and children going out to learn new life skills. This provision is more in line with our progression of skills in various areas and aims to develop the whole child.

Luddenham continues its aim to be knowledge rich, inspire curiosity and develop and apply skills learnt with purpose. We have continued to develop our curriculum structure to ensure knowledge and skills are coherently mapped to develop through their learning journey here. We will continue to build on current links with other schools to help strengthen this understanding.

Luddenham will continue to take part in many different sporting challenges, supporting all the children with training and transportation. It also aims to provide a variety of enrichment activities, such as after school clubs, to support children beyond the school day.

Pupil voice is an integral part of developing all priorities at Luddenham in the coming years and our established Pupil leadership Team drives and support changes, particularly in lunchtime provision. The Team includes Lunchtime Helpers, Site Team, Reading Ambassadors and Play Leaders using Year 6 children, as well as representatives from all classes who are led by a Head Pupil and their deputies who will report back to SLT fortnightly.

The continual drive for improvement is evident in many aspects of school life. The commitment from leaders and staff is to improve provision for all children that attend Luddenham. With an established and more experienced team, our focus is on CPD to develop these individuals as curriculum leaders to impact on the development of all children in all subjects.

AUDITORS

In so far as the trustees are aware:

- there is no relevant audit information of which the academy trust'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 auditors, UHY Hacker Young, have indicated their willingness to remain in office, and the audit process will be reviewed in detail and re-appointment of the auditors will be considered following the forthcoming Annual General Meeting.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, and signed on the board's behalf by:



N Perry
Chair of Trustees

Date: 1 December 2025

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Governance Statement
For the Year Ended 31 August 2025

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Luddenham School 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 Headteacher, 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 Luddenham School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met seven times during the academic year 2024/25. Attendance during the year at meetings of the board of trustees was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
D Deeson, (Chair resigned 7 July 2025) (resigned 31 August 2025)	7	7
A Carroll (resigned 1 December 2024)	2	2
C Mitchell (resigned 22 November 2024)	2	2
A Sartre (resigned 22 November 2024)	2	2
S K Bhagat	2	4
C Vincett (Accounting Officer)	6	7
G Burrows	6	7
P Smith	6	7
K Fisher (appointed Chair 7 July 2025)	6	7
P James	4	7
N Perry (appointed 24 November 2024)	5	5
L Barnett (appointed 24 November 2024) (resigned 13 May 2025)	3	3
J Mehigan	6	7
K Wakefield (appointed 11 June 2025)	1	1

The Board has maintained a core membership of eleven Trustees for the academic year. The Board has a good balance of skills and experience but are looking to further supplement skills in some areas. Information provided to the Board has been of sufficient quality to support decision making.

Conflicts of interest

The Board maintains an up-to-date register of business interests and has the declaration of conflicts of interest as a standing item for each full trustee board meeting. If a potential conflict of interest is identified or declared, the trustee affected will not take part in any discussions or decisions relating to the conflict. The Academy Trust avoids conflicts of interest in its ownership or control of any subsidiaries, joint ventures or associates. A Business Interest Register is published on the Trust's website.

Governance reviews

Meetings in the year have been carried out in accordance with Paragraph 2.3 of the Academy Trust Handbook 2024. Full trustee board meetings take place each term. These meetings have now largely returned to being in- person. However, the option to join remotely remains.

As previously noted, the Board of Trustees regularly discuss the skills, capabilities and experience offered by Board members. The most recent skills audit was completed October 2024.

The Finance Audit & Risk (FAR) committee is a sub-committee of the main board of trustees. Its purpose is to monitor the budget and expenditure of the school to ensure sufficient controls are in place, to ensure compliance with necessary DfE regulations, to consider and plan the internal scrutiny for the forthcoming year, and review the reports, consider, plan and liaise with the external auditors.

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Governance Statement
For the Year Ended 31 August 2025

The committee met 7 times during the year – attendance was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
D Deeson (resigned 31 August 2025)	6	7
A Carroll (Chair resigned 1 December 2024)	3	3
A Sartre (resigned 22 November 2024)	1	2
C Vincett (Accounting Officer)	7	7
K Fisher (appointed 26 March 2025)	4	7
P Smith (appointed Chair 27 January 2025)	3	4

Review of value for money

As accounting officer, the Headteacher 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, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer is accountable for the way in which the school's resources are allocated to meet the objectives set out in the school's development plans. The Accounting Officer needs to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in the school's achievements and services.

What Is Best Value?

The Accounting Officer has applied the four principles of best value:

- Challenge - Is the school's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do parents want?
- Compare - How does the school's pupil performance and financial performance compare with all schools? How does it compare with LA schools? How does it compare with similar schools and nationally?
- Consult - How does the school seek the views of stakeholders about the services the school provides?
- Compete - How does the school secure efficient and effective services? Are services of appropriate quality, and of good value?

The Accounting Officer's approach

The Accounting Officer and school managers have applied the principles of best value when making decisions about:

- the allocation of resources to best promote the aims and values of the school.
- the targeting of resources to best improve standards and the quality of provision.
- the use of resources to best support the various educational needs of all pupils.

The Accounting Officer and the school managers have:

- made comparisons with other/similar schools using data provided by the LA and the Government, e.g. analyse school performance, quality of teaching & learning, levels of expenditure.
- challenged proposals, examining them for effectiveness, efficiency, and cost, e.g. setting of annual pupil achievement targets.
- required suppliers to compete on grounds of cost, and quality/suitability of services/products/backup, e.g. provision of computer suite, redecoration.
- consulted individuals and organisations on quality/suitability of service we provide to parents and pupils.

This has been applied in particular to:

- staffing
- use of premises
- use of resources
- quality of teaching
- quality of learning
- purchasing
- pupils' welfare
- health and safety

The accounting officer and school managers:

- have not wasted time and resources on investigating minor areas where few improvements can be achieved.
- have not wasted time and resources to make minor savings in costs.
- have not wasted time and resources by seeking tenders for minor supplies and services.

We have taken time to investigate ways of saving money and time management by investing in a new administration and communication system. This has been further utilised and embedded throughout the year.

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Governance Statement
For the Year Ended 31 August 2025

Staffing

The Accounting Officer and school managers have deployed staff to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio, and curriculum management based on our current school budget.

Use of Premises

The Accounting Officer and school managers have considered the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching & learning, for support services, and for communal access to central resources.

Use of Resources

The Accounting Officer and school managers have deployed equipment, materials and services to provide pupils and staff with resources which support quality of teaching and quality of learning. The school has invested in technology to meet demand for curriculum. Resources and expenditures are monitored frequently.

Teaching and Learning

The Accounting Officer and school leaders have reviewed the quality of children's learning, by cohort, class and group, to provide teaching which enables children to achieve the nationally expected standards for their age and to exceed outcomes as stipulated within our Ofsted report.

Purchasing

The Accounting Officer and school managers have developed procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost. Measures already in place include:

- competitive tendering procedures
- procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)
- procedures which minimise office time by the purchase of goods or services under £5,000 direct from known, reliable suppliers (e.g. stationery, small equipment).

Pupils' Welfare

The Accounting Officer and school managers have reviewed the quality of the school environment and the school ethos, in order to provide a supportive environment conducive to learning and recreation.

Health & Safety

The Accounting Officer and school managers have reviewed the quality of the school environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors

Monitoring

Those areas have been monitored for best value by:

- In-house monitoring by the Headteacher and Leadership Team, e.g. learning walks and book looks
- Teaching and Learning Review meetings between the Headteacher, class teachers and there with responsibility for learning
- Annual appraisal
- Annual Budget Planning
- Financial Benchmarking
- Headteacher's monthly financial review
- Visits by the Peer reviews
- Analysis of school pupil performance data, e.g. SATs results, standardised test results, 11+ results, LA schools, similar schools
- Analysis of LA pupil performance data
- Analysis of financial audit reports, against benchmark data for all schools, LA schools, similar schools
- Analysis of DfE pupil performance data, e.g. Analyse School Performance
- Ofsted Inspection reports
- Trustees' monitoring visits and committee meetings
- Trustee panels and working parties
- Full governing body meetings
- Trustees' Annual Finance Review
- Trustees' Annual Development Plan Meeting

Luddenham School has prepared a risk register which is updated annually and reviewed by the Trustees. In the next three years the

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Governance Statement
For the Year Ended 31 August 2025

Accounting Officer will:

- hold an annual performance plan meeting to set targets for improving pupil achievement
- hold an annual development plan meeting
- review their "Best Value" statement annually
- consider best value when arranging internal and external redecoration contracts
- obtain tenders and a consultant's advice on the installation of any largescale refurbishment of the premises

The trustees understand that demands and needs of the school estate directly impact finance. The school estate is managed with clear roles and responsibilities with a robust monitoring system. A maintenance plan is in place detailing the list of regular planned preventive maintenance works including cyclical maintenance. Decisions made are supported by evidence and resources are used effectively and reviewed by the board of trustees regularly.

The board of trustees reviews annually the appointment of auditors to ensure best value and a fair representation of the accounts. This year a tendering process was followed and after consideration the board of trustees decided to appoint UHY Hacker Young. The tendering process took into account cost and the proposed program of work.

The Purpose of the System of Internal Control

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

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 ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and Budgeting monitoring pair 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;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees have appointed Xeinadin and Midlifestyle to the role of internal auditors. This is to ensure that the Academy meets both statutory requirements and best practice. The trustees are committed to learning from and applying the feedback obtained from the internal audit visits.

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Governance Statement
For the Year Ended 31 August 2025

The following audits have taken place in 2024/2025:

Audit	Date (Month)	Comments/Actions
Staff Recruitment and Retention Xeinaadin	May 2025	<p>Testing was conducted on the area below:</p> <ul style="list-style-type: none"> • Conducting ration analysis of the past 3 years • Conducting analysis of average employment contracts • Review of internal staff survey • Conducting staff questionnaires and interviews • Review of the effectiveness of recruitment procedures • Review of job advertisements posted in the year. <p>The FGB reviewed and actioned the recommendations.</p>
H&S Independent Audit - H&S Arrangements & Culture - Midlifestyle	June 2025	<p>The audit completed by an independent auditor measuring the health and safety performance of the school against a number of the standards laid out in the HSE self-assessment checklist. The FGB reviewed and actioned the recommendations.</p>
Admission Trustees completed internally	Summer term	<p>Testing was conducted on the area below:</p> <ul style="list-style-type: none"> • Parents survey • KCC available information • School data

For the period of September 2024 to August 2025, the school identified 3 main areas of risk to improve through the use of external support and audits.

The Board of Trustees confirm the internal reviewer has delivered their schedule of work as planned, and no significant control issues arose as a result of the internal reviewer's work.

Review of Effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the school resource management self-assessment tool; and
- 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 Operations team and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

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Governance Statement
For the Year Ended 31 August 2025

Conclusion

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

Approved by order of the members of the board of trustees and signed on its behalf by:



N Perry
Chair

Date: 1 December 2025



C Vincett
Accounting Officer

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Statement of Regularity, Propriety and Compliance

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

I confirm that I and the academy 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 framework of authorities.

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



C. Vincett
Accounting Officer

Date: 1 December 2025

Luddenham School
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Statement of Trustees' responsibilities
For the year ended 31 August 2025

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

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

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

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

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

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

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



N. Perry
Chair of Trustees

Date: 1 December 2025

Luddenham School
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Independent Auditors' Report on the financial statements to the Members of Luddenham School

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

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Independent Auditors' Report on the financial statements to the Members of Luddenham School (continued)

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 Trustees' report including the Strategic report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, 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.

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

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

How the audit was considered capable of detecting irregularities including fraud

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

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our commercial knowledge and experience of the academy and wider education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Academy Trust Handbook, Annual Accounts Direction, Charity SORP and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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Independent Auditors' Report on the financial statements to the Members of Luddenham School (continued)

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

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

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

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young

Tracey Moore BFP ACA (Senior statutory auditor)

for and on behalf of

UHY Hacker Young

Chartered Accountants

Statutory Auditors

Thames House

Roman Square

Sittingbourne

Kent

ME10 4BJ

Date: 16 December 2025

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Independent Reporting Accountant's Assurance Report on Regularity to Luddenham School and the Secretary of State for Education

In accordance with the terms of our engagement letter dated 4 August 2025 and further to the requirements of the Department for Education (DfE) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Luddenham School during the year 1 September 2024 to 31 August 2025 have not been applied to the purposes identified by Parliament and that the financial transactions do not conform to the authorities which govern them.

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

Respective responsibilities of Luddenham School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Luddenham School's funding agreement with the Secretary of State for Education dated 30 March 2012 and the Academy Trust Handbook, extant from 1 September 2024, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts 2024 to 2025. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2024 to 31 August 2025 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of Luddenham School for the year ended 31 August 2025 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion includes:

- An evaluation of the general control environment, and whether delegated financial authorities are complied with and appropriate segregation of duties is in place.
- An assessment of the risk of material irregularity and impropriety across all of the Academy Trust's activities, which includes a review of the internal scrutiny reports for the year.
- Further testing and review of the areas identified through the risk assessment including enquiry and examination of supporting evidence across all areas identified, as well as additional verification work where considered necessary.
- A review of whether grants have been used in accordance with funding conditions.
- A review of trustee board and relevant sub-committee minutes for declaration interests.
- A review of expenditure for any supplies from related or connected parties.

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Independent Reporting Accountant's Assurance Report on Regularity to Luddenham School and the Secretary of State for Education (continued)

- Consideration of whether the Academy Trust's governance arrangements and composition are in line with the Academy Trust Handbook.
- An assessment of whether the Academy Trust has complied with the 'must' requirements of the Academy Trust Handbook, which includes a review of the self-assessment declaration that we asked the Accounting Officer to complete.
- A review of the annual School Resource Management Self-Assessment Checklist submitted to the DfE.
- Consideration of evidence obtained through the work detailed above and the work completed as part of our external audit of the financial statements in order to support the regularity conclusion.

In line with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued March 2025, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

Conclusion

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

UHY Hacker Young

UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 16 December 2025

Luddenham School
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Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2025

	Note	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Restricted fixed asset funds 2025 £000	Total funds 2025 £000	Reclassified Total funds 2024 £000
Income from:						
Donations and capital grants	4	11	2	6	19	17
Other trading activities	5	35	-	-	35	34
Charitable activities	6	19	1,294	-	1,313	1,233
Total income		65	1,296	6	1,367	1,284
Expenditure on:						
Charitable activities	8	52	1,225	43	1,320	1,296
Total expenditure		52	1,225	43	1,320	1,296
Net movement in funds before other recognised gains/(losses)		13	71	(37)	47	(12)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	23	-	266	-	266	6
Adjustment or restriction on pension assets	23	-	(284)	-	(284)	(22)
Net movement in funds		13	53	(37)	29	(28)
Reconciliation of funds:						
Total funds brought forward	17	100	62	1,282	1,444	1,472
Net movement in funds		13	53	(37)	29	(28)
Total funds carried forward		113	115	1,245	1,473	1,444

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

The notes on pages 26 to 44 form part of these financial statements.

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Registered number: 07974434

Balance sheet
As at 31 August 2025

	Note	2025 £000	2024 £000
Fixed assets			
Tangible assets	14	1,243	1,277
Current assets			
Debtors	15	38	41
Cash at bank and in hand	21	267	185
		<u>305</u>	<u>226</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(75)	(59)
Net current assets		230	167
Net assets excluding pension asset		<u>1,473</u>	<u>1,444</u>
Defined benefit pension scheme asset	23	-	-
Total net assets		<u><u>1,473</u></u>	<u><u>1,444</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	17	1,245	1,282
Restricted income funds	17	115	62
Total restricted funds	17	<u>1,360</u>	<u>1,344</u>
Unrestricted income funds	17	113	100
Total funds		<u><u>1,473</u></u>	<u><u>1,444</u></u>

The financial statements on pages 23 to 44 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



N. Perry
Chair of Trustees

Date: 1 December 2025

The notes on pages 26 to 44 form part of these financial statements.

Luddenham School
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Statement of cash flows
For the year ended 31 August 2025

	Note	2025 £000	<i>2024</i> <i>£000</i>
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	85	<i>(10)</i>
Cash flows from investing activities	20	(3)	8
Change in cash and cash equivalents in the year		82	<i>(2)</i>
Cash and cash equivalents at the beginning of the year		185	<i>187</i>
Cash and cash equivalents at the end of the year	21, 22	<u>267</u>	<u><i>185</i></u>

The notes on pages 26 to 44 form part of these financial statements

Luddenham School
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Notes to the financial statements
For the year ended 31 August 2025

1. General information

Luddenham School (company number 07974434) is a charitable company, limited by guarantee, incorporated in England and Wales. Its registered office address is Luddenham School, Faversham, Kent, ME13 0TE.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

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

Luddenham School meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

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

2.3 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**

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

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

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

• **Donations**

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

• **Other income**

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

Notes to the financial statements
For the year ended 31 August 2025

2. Accounting policies (continued)

2.4 Expenditure

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

• **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.

Where relevant, all resources expended are inclusive of irrecoverable VAT.

2.5 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.

2.6 Tangible fixed assets

Individual assets costing £2,000 or more and groups of assets purchased collectively costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- Buildings over 50 years; leasehold land over 125 years
Furniture and equipment	- Over 5 years
Computer equipment	- Over 3 years
Motor vehicles	- Over 5 years

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

2.7 Debtors

Prepayments are valued at the amount prepaid net of any trade discounts due.

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Notes to the financial statements
For the year ended 31 August 2025

2. Accounting policies (continued)

2.8 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.

2.9 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 bases are as follows:

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

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

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

2.10 Operating leases

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

2.11 Pensions

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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

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Notes to the financial statements
For the year ended 31 August 2025

2. Accounting policies (continued)

2.12 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 the funders where the asset acquired or created is held for a specific purpose.

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

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The academy 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.

Pension valuation

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The ultimate responsibility for setting the assumptions is that of the academy trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

Critical areas of judgment:

Local Government Pension Scheme surplus

FRS102 section 28.22 allows an entity to recognise a surplus within the Local Government Pension Scheme "only to the extent it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan." The Academy Trust has considered it unlikely that a surplus being recognised would ever result in a repayment or reduction in contributions, given that such a surplus is probably only temporary.

Therefore, although the actuarial report for the year ended 31 August 2025 indicates a defined benefit asset of £357k (2024: £73k) existed at the year end date, this asset has been restricted to leave a break-even position on the Balance Sheet..

Useful economic life of tangible fixed assets

Useful economic life is in line with the accounting policy. In setting these policies management will consider the industry average of the asset life and the number of years they expect the asset to be in use.

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Notes to the financial statements
For the year ended 31 August 2025

4. Income from donations and capital grants

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Restricted fixed asset funds 2025 £000	Total funds 2025 £000	<i>Reclassified Total funds 2024 £000</i>
Donations	11	2	-	13	9
Capital grants	-	-	6	6	8
	<u>11</u>	<u>2</u>	<u>6</u>	<u>19</u>	<u>17</u>
<i>Analysis of 2024 total by fund (reclassified)</i>	<u>8</u>	<u>1</u>	<u>8</u>	<u>17</u>	

5. Income from other trading activities

	Unrestricted funds 2025 £000	Total funds 2025 £000	<i>Total funds 2024 £000</i>
Extended schools programme	<u>35</u>	<u>35</u>	<u>34</u>

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Notes to the financial statements
For the year ended 31 August 2025

6. Funding for the academy trust's charitable activities

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total funds 2025 £000	<i>Reclassified Total funds 2024 £000</i>
Educational operations				
DfE grants				
General Annual Grant (GAG)	-	1,026	1,026	960
Other DfE grants				
Pupil premium	-	78	78	87
Universal infant free school meals	-	24	24	26
PE and sports premium	-	18	18	18
Mainstream schools additional grant	-	-	-	33
Teachers' pay grant	-	17	17	17
Teachers' pension grant	-	21	21	9
Core schools budget grant	-	36	36	-
Others	-	14	14	15
	-	1,234	1,234	1,165
Other Government grants				
Local authority grants	-	60	60	50
Other income from the academy trust's educational operations				
	19	-	19	18
	19	1,294	1,313	1,233
<i>Analysis of 2024 total by fund (reclassified)</i>	18	1,215	1,233	

7. Expenditure

	Staff Costs 2025 £000	Premises 2025 £000	Other 2025 £000	Total 2025 £000	<i>Total 2024 £000</i>
Educational operations:					
Direct costs	822	35	95	952	854
Allocated support costs	129	103	136	368	442
	951	138	231	1,320	1,296
<i>Analysis of 2024 total (reclassified)</i>	884	167	245	1,296	

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Notes to the financial statements
For the year ended 31 August 2025

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Total 2025 £000	<i>Total 2024 £000</i>
Educational operations	52	1,268	1,320	1,296
<i>Analysis of 2024 total by fund</i>	46	1,250	1,296	

9. Analysis of expenditure by activities

	Direct costs 2025 £000	Support costs 2025 £000	Total funds 2025 £000	<i>Total funds 2024 £000</i>
Educational operations	952	368	1,320	1,296
<i>Analysis of 2024 total</i>	854	442	1,296	

Analysis of support costs

	Total funds 2025 £000	<i>Total funds 2024 £000</i>
Staff costs	129	183
Depreciation	8	13
Technology costs	34	25
Premises costs	103	120
Governance costs	17	15
Other support costs	77	86
	368	442

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Notes to the financial statements
For the year ended 31 August 2025

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2025	<i>2024</i>
	£000	<i>£000</i>
Operating lease rentals	9	1
Depreciation of tangible fixed assets	43	45
Fees paid to auditors for:		
- audit	11	13
- other services	3	2
	<u>9</u>	<u>2</u>

11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2025	<i>Reclassified</i>
	£000	<i>2024</i>
		<i>£000</i>
Wages and salaries	725	679
Social security costs	63	52
Pension costs	154	146
	<u>942</u>	<u>877</u>
Agency staff costs	9	7
	<u>951</u>	<u>884</u>

b. Staff numbers

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

	2025	<i>2024</i>
	No.	<i>No.</i>
Teachers	8	9
Administration and support	18	18
Management	3	3
	<u>29</u>	<u>30</u>

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Notes to the financial statements
For the year ended 31 August 2025

11. Staff (continued)

c. Higher paid staff

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

	2025	<i>2024</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	-	<i>1</i>
In the band £70,001 - £80,000	<u>1</u>	<u>-</u>

d. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £250,000 (2024 - £226,000).

12. Trustees' remuneration and expenses

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

		2025	<i>2024</i>
		£000	<i>£000</i>
C Vincett, Accounting Officer	Remuneration	70 - 75	<i>65 - 70</i>
	Pension contributions paid	20 - 25	<i>15 - 20</i>

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

13. 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 membership.

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Notes to the financial statements
For the year ended 31 August 2025

14. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation					
At 1 September 2024	1,651	70	140	3	1,864
Additions	-	9	-	-	9
Disposals	-	(3)	(26)	-	(29)
At 31 August 2025	<u>1,651</u>	<u>76</u>	<u>114</u>	<u>3</u>	<u>1,844</u>
Depreciation					
At 1 September 2024	387	58	139	3	587
Charge for the year	35	7	1	-	43
On disposals	-	(3)	(26)	-	(29)
At 31 August 2025	<u>422</u>	<u>62</u>	<u>114</u>	<u>3</u>	<u>601</u>
Net book value					
At 31 August 2025	<u>1,229</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>1,243</u>
At 31 August 2024	<u>1,264</u>	<u>12</u>	<u>1</u>	<u>-</u>	<u>1,277</u>

Long term leasehold property includes leasehold land valued at £71k (2024: £71k) which is depreciated over the lease term.

15. Debtors

	2025 £000	2024 £000
Other debtors	2	5
Prepayments and accrued income	36	36
	<u>38</u>	<u>41</u>

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Notes to the financial statements
For the year ended 31 August 2025

16. Creditors: Amounts falling due within one year

	2025	<i>Reclassified</i>
	£000	<i>2024</i>
		<i>£000</i>
Trade creditors	-	9
Other taxation and social security	16	-
Other creditors	18	-
Accruals and deferred income	41	50
	<hr/>	<hr/>
	75	59
	<hr/>	<hr/>
	2025	<i>2024</i>
	£000	<i>£000</i>
Deferred income at 1 September 2024	19	20
Resources deferred during the year	18	19
Amounts released from previous periods	(19)	(20)
	<hr/>	<hr/>
	18	19
	<hr/>	<hr/>

At the balance sheet date, the Academy Trust was holding funds received in advance for school trips and DfE UIFSM funding.

Luddenham School
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Notes to the financial statements
For the year ended 31 August 2025

17. Statement of funds

	Balance at 1 September 2024 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2025 £000
Unrestricted funds						
General funds	100	65	(52)	-	-	113
Restricted general funds						
General Annual Grant (GAG)	54	1,026	(968)	-	-	112
Other DfE grants	-	208	(208)	-	-	-
Other government grants	7	60	(67)	-	-	-
Other restricted funds	1	2	-	-	-	3
Pension reserve	-	-	18	-	(18)	-
	<u>62</u>	<u>1,296</u>	<u>(1,225)</u>	<u>-</u>	<u>(18)</u>	<u>115</u>
Restricted fixed asset funds						
Tangible fixed assets	1,277	-	(43)	9	-	1,243
DfE capital grants	5	6	-	(9)	-	2
	<u>1,282</u>	<u>6</u>	<u>(43)</u>	<u>-</u>	<u>-</u>	<u>1,245</u>
Total Restricted funds	<u>1,344</u>	<u>1,302</u>	<u>(1,268)</u>	<u>-</u>	<u>(18)</u>	<u>1,360</u>
Total funds	<u>1,444</u>	<u>1,367</u>	<u>(1,320)</u>	<u>-</u>	<u>(18)</u>	<u>1,473</u>

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

Unrestricted funds

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

Restricted funds

General Annual Grant (GAG) must be used for the normal running costs of the Academy Trust.

The other DfE grant fund is used to track non-GAG revenue grant funding received from the DfE and principally included the material grants detailed separately in note 5.

The other government grants fund is used to track grants provided by other government bodies.

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Notes to the financial statements
For the year ended 31 August 2025

17. Statement of funds (continued)

The other restricted fund is used to track all other restricted grants which do not fit into the categories above.

The pensions reserve relates to the academy trust's share of the balance on the Local Government Pension Scheme overseen by KCC.

Restricted fixed asset funds

The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward and the current fixed assets held.

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

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

	<i>Balance at 1 September 2023 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2024 £000</i>
Unrestricted funds						
General funds	86	60	(46)	-	-	100
Restricted general funds						
General Annual Grant (GAG)	31	954	(946)	15	-	54
Other DfE grants	-	211	(211)	-	-	-
Other government grants	21	50	(64)	-	-	7
Other restricted funds	-	1	-	-	-	1
Pension reserve	-	-	16	-	(16)	-
	<u>52</u>	<u>1,216</u>	<u>(1,205)</u>	<u>15</u>	<u>(16)</u>	<u>62</u>
Restricted fixed asset funds						
Tangible fixed assets	1,322	-	(45)	-	-	1,277
DfE capital grants	12	8	-	(15)	-	5
	<u>1,334</u>	<u>8</u>	<u>(45)</u>	<u>(15)</u>	<u>-</u>	<u>1,282</u>
Total Restricted funds	<u>1,386</u>	<u>1,224</u>	<u>(1,250)</u>	<u>-</u>	<u>(16)</u>	<u>1,344</u>
Total funds	<u>1,472</u>	<u>1,284</u>	<u>(1,296)</u>	<u>-</u>	<u>(16)</u>	<u>1,444</u>

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Notes to the financial statements
For the year ended 31 August 2025

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £000	Restricted funds 2025 £000	Restricted fixed asset funds 2025 £000	Total funds 2025 £000
Tangible fixed assets	-	-	1,243	1,243
Current assets	113	190	2	305
Creditors due within one year	-	(75)	-	(75)
Total	113	115	1,245	1,473

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £000</i>	<i>Restricted funds 2024 £000</i>	<i>Restricted fixed asset funds 2024 £000</i>	<i>Total funds 2024 £000</i>
Tangible fixed assets	-	-	1,277	1,277
Current assets	100	121	5	226
Creditors due within one year	-	(59)	-	(59)
Total	100	62	1,282	1,444

19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2025 £000	2024 £000
Net income/(expenditure) for the year (as per Statement of financial activities)	47	(12)
Adjustments for:		
Depreciation	43	45
Capital grants from DfE and other capital income	(6)	(8)
Defined benefit pension scheme cost less contributions payable	(12)	(12)
Defined benefit pension scheme finance cost	(6)	(4)
Decrease/(increase) in debtors	3	(27)
Increase in creditors	16	8
Net cash provided by/(used in) operating activities	85	(10)

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Notes to the financial statements
For the year ended 31 August 2025

20. Cash flows from investing activities

	2025	<i>2024</i>
	£000	<i>£000</i>
Purchase of tangible fixed assets	(9)	-
Capital grants from DfE Group	6	8
Net cash (used in)/provided by investing activities	(3)	<i>8</i>

21. Analysis of cash and cash equivalents

	2025	<i>2024</i>
	£000	<i>£000</i>
Cash in hand and at bank	267	185
Total cash and cash equivalents	267	<i>185</i>

22. Analysis of changes in net debt

	At 1	Cash flows	At 31 August
	September	£000	2025
	2024	£000	£000
	£000		£000
Cash at bank and in hand	185	82	267
	185	82	<i>267</i>

23. Pension commitments

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 Kent County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £18,000 were payable to the schemes at 31 August 2025 (2024 - £nil) and are included within creditors.

Teachers' Pension Scheme

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

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

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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

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

The employer's pension costs paid to TPS in the year amounted to £104,000 (2024 - £97,000).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy 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 FRS 102 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.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £85,000 (2024 - £82,000), of which employer's contributions totalled £68,000 (2024 - £65,000) and employees' contributions totalled £17,000 (2024 - £17,000). The agreed contribution rates for future years are 22.5 per cent for employers and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	2025	2024
	%	%
Rate of increase in salaries	3.55	3.80
Rate of increase for pensions in payment/inflation	2.55	2.80
Discount rate for scheme liabilities	6.05	5.10
Inflation assumption (CPI)	2.95	3.05

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

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23. Pension commitments (continued)

	2025	<i>2024</i>
	Years	<i>Years</i>
<i>Retiring today</i>		
Males	21.4	20.7
Females	23.7	23.3
<i>Retiring in 20 years</i>		
Males	23.0	22.0
Females	25.4	24.7

Sensitivity analysis

	2025	<i>2024</i>
	£000	<i>£000</i>
Discount rate +0.1%	(19)	(23)
Discount rate -0.1%	19	24
Mortality assumption - 1 year increase	21	29
Mortality assumption - 1 year decrease	(20)	(28)
CPI rate +0.1%	18	22
CPI rate -0.1%	(18)	(19)

Share of scheme assets

The academy trust's share of the assets in the scheme was:

	At 31 August	<i>At 31 August</i>
	2025	<i>2024</i>
	£000	<i>£000</i>
Equities	785	659
Gilts	69	81
Corporate bonds	189	168
Property	104	107
Cash and other liquid assets	37	28
Other	127	113
Total market value of assets	1,311	<i>1,156</i>

The actual return on scheme assets was £83,000 (2024 - £79,000).

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23. Pension commitments (continued)

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

	2025	<i>2024</i>
	£000	<i>£000</i>
Current service cost	(55)	(52)
Interest income	61	55
Interest cost	(55)	(51)
Administrative expenses	(1)	(1)
Total amount recognised in the Statement of financial activities	(50)	<i>(49)</i>

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

	2025	<i>2024</i>
	£000	<i>£000</i>
At 1 September	1,083	<i>953</i>
Current service cost	55	52
Interest cost	55	51
Employee contributions	17	17
Actuarial (gains)/losses	(244)	18
Benefits paid	(12)	(8)
At 31 August	954	<i>1,083</i>

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

	2025	<i>2024</i>
	£000	<i>£000</i>
At 1 September	1,156	<i>1,004</i>
Interest income	61	55
Actuarial gains	22	24
Employer contributions	68	65
Employee contributions	17	17
Benefits paid	(12)	(8)
Administration expenses	(1)	(1)
At 31 August	1,311	<i>1,156</i>

As set out in Note 3, the scheme surplus as at 31 August 2025 was £357k (2024: £73k), represented by the fair value of the assets less the fair value of the defined benefit obligation set out above. The trustees have considered it unlikely that a surplus being recognised would ever result in a repayment or reduction in contributions, given that such a surplus is probably only temporary. Therefore, the net surplus recognised within the financial statements has been restricted to £nil.

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24. Operating lease commitments

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

	2025	<i>2024</i>
	£000	<i>£000</i>
Not later than 1 year	8	2
Later than 1 year and not later than 5 years	6	5
	<u>14</u>	<u>7</u>

25. 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.

26. Related party transactions

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

Income related party transactions

Valerie Harwood, a member of Luddenham's key management, is a Trustee of the Luddenham School Friends Association, from which the Academy Trust received £6k (2024 - £5k) during the year.