

**Company Registration No. 08840373 (England and Wales)**

**THE HARMONY TRUST LTD**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT AND AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2025**

# THE HARMONY TRUST LTD

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THE HARMONY TRUST LTD

REFERENCE AND ADMINISTRATIVE DETAILS

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Members

M Simmons  
R Mohammed  
Oldham Hulme Grammar School  
N Hole  
E Farmer

Trustees

A McCully (Chair of Trustees)  
C Thorne (Chair of Finance Committee)  
I Robinson  
G McGuffie (Resigned 11 September 2025)  
O Smythe  
N Saleh  
A Lant (Resigned 28 November 2025)  
B Flynn (Resigned 27 September 2024)  
R Littley (Appointed 1 February 2025)  
S Willis (Appointed 1 February 2025)  
T Jay (Appointed 1 February 2025)  
J Kempton (Appointed 1 November 2025)  
G Kay (Appointed 1 November 2025)  
J Balderstone (Appointed 1 November 2025)

Senior management team

- Chief Executive & Accounting Officer	A Hughes
- Chief Financial Officer	S Costello
- Director of Education	J Hainsworth
- Assistant Director of Education	S Taylor
- Assistant Director of Education	M Eccles
- Assistant Director of Operations	T Mellor (Retired 31 August 2025)
- Assistant Director of Inclusive Education	W May

Company secretary

S Costello

Company registration number

08840373 (England and Wales)

Registered office

Greenhill Academy  
Harmony Street  
Oldham  
Greater Manchester  
OL4 1RR

# THE HARMONY TRUST LTD

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Academies operated

Alt Academy  
 Greenhill Academy  
 Greenfield Primary Academy  
 Lakeside Primary Academy  
 Cottons Farm Primary Academy  
 Alvaston Junior Academy  
 Reigate Park Primary Academy  
 Carlyle Infant and Nursery Academy  
 Hackwood Primary Academy  
 Ash Croft Primary Academy  
 Village Primary Academy  
 Cavendish Close Junior Academy  
 Northmoor Academy  
 Richmond Academy  
 Westwood Academy  
 Norden Primary Academy  
 Spotland Primary Academy

### Location

Greater Manchester, NW  
 Greater Manchester, NW  
 Greater Manchester, NW  
 Derby  
 Derby  
 Derby  
 Derby  
 Derby  
 Derby  
 Derby  
 Derby  
 Derby  
 Greater Manchester, NW  
 Greater Manchester, NW  
 Greater Manchester, NW  
 Greater Manchester  
 Greater Manchester

### Principal

N Grady  
 C Glynn  
 Z Neophitou  
 L Thorne  
 K Patmore  
 C Bower  
 K Ratcliff  
 S Curtis  
 F Miah  
 E Luff  
 E Luff  
 M Tague  
 R Beesley  
 K Jordon  
 S Wimperis  
 R Bentham  
 E Dunn

### Independent auditor

Cooper Parry Group Limited  
 St James Building  
 79 Oxford Street  
 Manchester  
 M1 6HT

### Bankers

Lloyds Bank PLC  
 25 Gresham Street  
 London  
 EC2N 7HN

### Solicitors

Eversheds Sutherland  
 Eversheds House  
 70 Great Bridgewater Street  
 Manchester  
 M1 5ES

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT

### ***FOR THE YEAR ENDED 31 AUGUST 2025***

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The Trustees present their annual report together with the financial statements 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 Harmony Trust is a Multi-Academy Trust (MAT) that operates across four Local Authority areas in the North West and Derby. Currently, there are eight primary Academies in Greater Manchester, two of which joined during the academic year, and nine Academies in Derby.

The Trust's Academies have a combined pupil capacity of 439 part-time 2-year-old and nursery and 6,479 primary places and had a roll of 6,039 (5,431 primary places and 608 2-year-old and nursery) at the end of the Summer 2025 term.

This year the Trust has entered into significant commissioning arrangements with Local Authorities in Derby, Oldham, and Tameside for the delivery of Inclusion Hubs. The Hubs support children with complex needs in their local school and bring specialism and capacity to local area inclusion strategies. The Trust has also provided speech and language services to Oldham schools.

The Trust has also substantially expanded further its provision of early years education, including for children under 3, which is a critical element of its strategy to improve children's outcomes and sustainability of its Academies.

The Trust has continued with its successful local governance model where there are opportunities in every academy for pupils, parents and staff to engage with Executive Leaders. This extensive local engagement influences the Trust's strategic priorities and direction. The CEO continues to report to the Board on the key issues and recommendations emerging from the forums on a termly basis and the insight from the systematic cycle of Academy visits.

Parent surveys increase the opportunities for parents to provide feedback on key Trust priorities. This year, the survey responses demonstrated further increases in parental confidence across most Academies. Staff surveys have also been set up to provide feedback and widen staff influence over decisions alongside regular whole staff communications. Pupil Forums have continued to exercise children's voices in key decisions and put forward proposals to the Executive Team. These are also opportunities for pupils to develop their leadership skills and understand democracy. The CEO and Director of Education have met all pupil forums regularly throughout the year.

The Trust has also continued to use Academy Improvement Boards (AIBs) where there needs to be closer support and challenge on the progress being made in an individual Academy. This governance approach ensures that children are receiving a high-quality education and Academy leaders are drawing on the full resources of the Trust. In some Academies, the Boards have operated frequently to support Principals with significant improvement and contextual change – including increasing levels of deprivation and need in the communities we serve, increased pupil mobility, and increased proportions of children with Special Educational Needs and Disabilities (SEND).

The Trust Executive Leadership Team (ELT) continues to oversee the implementation of the revised five year Strategic Plan and monitors performance and responds to risk across the organisation. This ensures that Principals and Heads of infrastructure teams are involved in corporate strategy and feedback from implementation, alongside the Executive Team. This year there has been a focus on leadership development to ensure that further implementation of the Trust's strategy is collaborative and aligned to its values.

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### Structure, governance and management

##### Constitution

The Harmony Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents.

The charitable company operates as The Harmony Trust Ltd. The names of the academies are as follows:

##### North West

Alt Academy  
Greenhill Academy  
Greenfield Academy  
Richmond Academy  
Norden Academy  
Northmoor Academy  
Spotland Academy  
Westwood Academy

##### Derby

Alvaston Junior Academy  
Ash Croft Primary Academy  
Carlyle Infant and Nursery Academy  
Cavendish Close Junior Academy  
Cottons Farm Primary Academy  
Hackwood Primary Academy  
Lakeside Primary Academy  
Reigate Park Primary Academy  
Village Primary Academy

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

##### Trustees' indemnities

There have been no qualifying third-party indemnity provisions in place for the year 1 September 2024 to 31 August 2025 (2024: nil).

##### Method of recruitment and appointment or election of Trustees

The method of recruitment and appointment of Trustees' is laid down in the Articles of Association. Their number shall be not less than three. The Members may appoint up to 8 through ordinary resolution. In accordance with The Academy Trust Handbook none of the Trustees is an employee. There shall be up to two parent Trustees elected across the Trust. The Trustees may also choose to appoint a 'Co-opted Trustee'.

Trustees serve a term of office of four years and may be re-appointed or re-elected.

##### Policies and procedures adopted for the induction and training of Trustees

The Trustees have a vital role in our organisation. We aim to attract and retain people who have commitment, experience and the necessary skills to make a difference in the communities that we serve.

Training for the Trustees is recorded and delivered on five levels:

- Termly Governance Forum supports Trustee development and involvement in emergent strategy
- This is supplemented by attendance at regional events and engagement with individual academies, including a system of 'Link Trustees' and/or attendance at Academy Improvement Board (AIB) and Stocktake meetings
- Access to an online suite of learning modules
- Email alerts from national bodies, such as the Confederation of School Trusts (CST)
- Opportunities to attend conferences related to these national bodies

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### Organisational structure

The Chief Executive is the Accounting Officer of the Trust and as such has ultimate responsibility for the operations and controls in place. This involves overall accountability for the performance, financial management, and compliance with policies set by Trustees, in each Academy. At the point of approval of these financial statements, The Harmony Trust Ltd included the following Academies:

<b>Academy</b>	<b>Date joined</b>	<b>Type</b>
Greenhill Academy	01 February 2014	Primary (Lead Converter)
Alt Academy	01 October 2014	Primary (Sponsored)
Westwood Academy	01 November 2014	Primary (Sponsored)
Richmond Academy	01 November 2014	Primary (Sponsored)
Northmoor Academy	01 September 2016	Primary (Sponsored)
Cavendish Close Junior Academy	01 September 2017	Primary (Sponsored)
Village Primary Academy	01 May 2018	Primary (Converter)
Ash Croft Primary Academy	01 June 2018	Primary (Converter)
Reigate Park Primary Academy	01 September 2018	Primary (Sponsored)
Alvaston Junior Academy	01 September 2018	Primary (Converter)
Cottons Farm Primary Academy	01 September 2018	Primary (Sponsored)
Lakeside Primary Academy	01 January 2019	Primary (Sponsored)
Carlyle Infant & Nursery Academy	01 August 2019	Primary (Converter)
Hackwood Primary Academy	01 September 2019	Primary (Free School)
Greenfield Primary Academy	01 September 2020	Primary (Sponsored)
Norden Primary Academy	01 March 2025	Primary (Converter)
Spotland Primary School	01 April 2025	Primary (Sponsored)

The Harmony Trust Ltd has an experienced Board of Trustees in place, who are responsible for identifying and establishing strategies and policies and ensuring they are implemented. Where appropriate, duties are delegated to Committees and employees of The Harmony Trust Ltd, particularly the Executive Leadership Team led by the CEO.

There are three separate sub-committees of the Board of Trustees: the Finance Committee, the Audit and Risk Committee, and the Standards, Pay and Performance Committee. The Chair of each Committee meets with ELT regularly via the Medium-Term Finance Strategy meeting and specific termly meetings to agree the agenda and papers for Committee meetings.

Committee terms of reference are reviewed and agreed on an annual basis by the Board of Trustees. The Trustees have a detailed Scheme of Delegation for effective and efficient decision making for its committees and senior staff throughout The Harmony Trust Ltd.

The approval of annual financial statements and budgets, along with the approval of key policies and procedures implemented within the Trust, remain the responsibility of the Board. Members generally appoint new Trustees.

In accordance with the Academy Trust Handbook, external auditors are appointed/re-appointed annually by members at the Annual General Meeting (AGM).

Harmony Trading Services is a wholly owned subsidiary of The Harmony Trust. The company was established on the 11th July 2018 as a private company limited by shares to deliver education and pupil-facing services. The company number is 11460492. The principal activities of the company have included the provision of meals to Academies within Derby. However, following a re-procurement of this service, the company ceased trading for this purpose in November 2024. The purpose of Harmony Trading Services continues to be to support the objectives of The Harmony Trust.

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### Arrangements for setting pay and remuneration of key management personnel

The salaries of the key management personnel of Harmony Trust are set by the Board of Trustees. This process follows nationally and locally agreed structures for Executive pay for education leaders (following leadership ranges in the School Teachers' Pay and Conditions Document and Local Authority Chief Officer pay scales for other Executive posts). Trustees also take account of updated sector benchmarking on pay to ensure that remuneration is prudent in respect of accountabilities whilst competitive enough to ensure retention.

The Scheme of Delegation requires that any pay recommendations for the CEO must be approved by the Chair of the Board of Trustees plus one other board member, and other Senior Leadership / Executive roles by the CEO and the appropriate committee. There are separate arrangements in place for the Director of Education because of the register of interests. Trustees have previously severed the connection between performance management and pay for all roles within the organisation so progression is incremental.

The Board of Trustees takes great care to ensure public value for money from the personnel appointed within the Trust and does not award excessive levels of pay. The Board of Trustees and its sub committees ensure that changes to previously approved senior salary ranges (such as moving to a new pay scale to recognise additional responsibilities) are reported, discussed, and challenged through a process which includes benchmarking data.

#### Trade union facility time

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	7
Full-time equivalent employee number	5.60

##### *Percentage of time spent on facility time*

Percentage of time	Number of employees
0%	1
1%-50%	4
51%-99%	-
100%	2

##### *Percentage of pay bill spent on facility time*

Total cost of facility time (£'000)	157
Total pay bill (£'000)	28,543
Percentage of the total pay bill spent on facility time	-

##### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	74%
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# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2025*

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#### Engagement with employees

Under the Governance structure, various methods are used to engage and seek the views of staff. These include: staff meetings led by the Principal in each academy, an annual staff survey, drop-in sessions with the Executive Leadership and HR surgeries, plus regular staff briefings and the CEO's 'Open Door' policy. This supports staff engagement and consultation on a wide range of potential Trust-wide strategies.

There are regular constructive meetings with national and local union representatives through NJC arrangements that involve consultation on policy frameworks and a partnership approach to the Greatplace2work strategy's implementation.

#### Disabled employees

The Trust discloses its policy in respect of applications for employment from disabled persons, making reasonable adjustments for disabled workers to prevent them from being at a substantial disadvantage compared to non-disabled people in line with the Equality Act 2010.

The Trust follows policies and processes for treatment of disabled employees ensuring fair recruitment, access to training, career development and opportunities.

#### Employee consultation

The Trust continues to operate a 'no redundancies' policy to provide staff with job security.

The Trust follows agreed change management policies (transferred under TUPE) or associated process which define how the Trust will manage change and serve as a guide to approving, implementing, and documenting changes. Policies require detailed documentation to be shared with employees, and views, comments and suggestions to be sought, from both the employee and union representatives. Due process would then be followed and aligned to all other HR policy requirements to amend structures accordingly and implement to agreed timelines in line with contractual requirements.

#### Engagement with suppliers, customers and others in a business relationship with the academy trust

The Trust believes in open, fair, and transparent relationships with suppliers, customers and all other stakeholders. Contract management is undertaken by managers within relevant Team areas supported by a Procurement Specialist Advisor, Crescent Purchasing Consortium (CPC). Together they ensure service levels are met, and organisational needs are communicated. Formal reviews take place periodically depending on value, risk and complexity. There are clear escalation processes in place to ensure that any service issues can be resolved quickly. The Trust recognises suppliers as key strategic partners. Wherever possible, the Trust aims to support local communities by engaging with local businesses and workforces. Our aim is to form strong partnerships with a smaller number of suppliers, building and maintaining open and honest relationships that secure value for money.

This year the Trust managed a major procurement exercise for the external delivery of catering and cleaning services; this exercise was intended to improve efficiency, financial sustainability, and value for money and resulted in both services being commissioned from external providers.

#### Related parties and other connected charities and organisations

The Trust has continued to focus on developing its core offer of professional development programmes for all Harmony staff. Partnership activity has therefore been concentrated around the Strategic Plan priorities and the Trust's contribution to local inclusion approaches and decision making.

This year, the Trust has successfully implemented a new delivery partnership with Teach First to run an Initial Teaching Training programme aimed at recruiting high quality graduates from our local communities in the North West. This is an extension of a long standing partnership with Teach First that is central to Harmony's workforce strategy of developing teachers from the earliest career stage.

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### Objectives and activities

##### Objects and aims

The vision of The Harmony Trust is to provide an excellent primary education; one that gives all our children the very best chance of succeeding in life. We aim to ensure that all children attend a highly inclusive **GreatPlace2Learn**. We believe that school should be a place where every child achieves high outcomes, making good progress both academically and socially. We aim to tackle the challenges facing our children and our communities around disadvantage and social mobility. We place importance on children developing positive wellbeing and high self-esteem if they are to do well at both school and in their later lives. Parents are very important to achieving this vision and we aim to work in partnership with them to ensure that all our children Believe Achieve and Succeed (our Trust's motto).

At the Harmony Trust, we value each employee for their contribution to the success of our academies and we do all we can to ensure it is a **GreatPlace2Work**. We have a great team of people working within our Trust and we aim to retain them by investing in professional development programmes and opportunities.

The Trust is ambitious for its Academies and believes that all pupils can reach their potential, regardless of their need or circumstance.

The Harmony Trust's principal objective as defined in its Articles of Association 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 schools offering a broad and balanced curriculum ("the **mainstream Academies**").

In practice, the Trust incorporates this aim within its strategic objectives and overall vision for ensuring every child receives an excellent education.

##### Objectives, strategies and activities

The Trust reviewed its strategic objectives this year and developed a revised five year Strategic Plan that responds to contextual changes and challenges facing the Trust. Alongside a continued commitment to ensure educational excellence, this has a particular focus on Inclusion and Harmony's determination to develop and grow its provision for children with complex needs. It also sets out an ambitious goal of expanding early years provision.

##### Public benefit

Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning future activities.

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2025**

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### Strategic report

#### Achievements and performance

Trustees' evaluation of performance is based on a range of evidence, insight, and external validation. This identifies the following:

#### Strengths as a Trust include:

- Successful track record of improving pupil outcomes in disadvantaged areas
- Accurate self evaluation of its Academies and the needs of their communities, and promotes a culture of improvement across all academies that responds to changes in context
- Provides a high-quality inclusive education with specialist provision for pupils with SEND through the operation of an effective and growing Inclusion Hub model across multiple Academies. The Trust has also developed expertise in specialist services such as Speech and Language, which are now being commissioned by Local Authorities
- Expertise in ensuring high quality provision in the early years that provides children with the right foundations. Increasingly, the Trust is offering more provision for children under 3 to support this educational objective
- Significant capacity to support local school improvement, including identifying educational specialism and expertise through the Harmony Development Team
- A curriculum model and approach to delivery that is effective at gaining high levels of pupil and parental confidence. The 'Harmony Model Curriculum' is well developed with clear intent and is focused on improving outcomes for all pupils including those with additional needs and supporting a reduction in teacher workload
- A positive staff culture where staff report that the Trust values diversity and inclusion, and the majority report that they would recommend Harmony as a place to work. This significantly supports recruitment and retention
- Through the Development Team, strong educational frameworks and systems to support teaching and learning. Staff have access to high quality CPD that has had an impact on their practice
- Effective Infrastructure Teams that enable leaders to lead learning, ensure an inclusive culture, and improve pupil outcomes
- Strong governance from a skilled Board of Trustees and a high performing Executive Leadership Team

Ofsted commentary on the Trust reported in inspections of individual academies across the year reinforces this assessment:

*"Trustees know the school. They have appropriate oversight. They have taken effective action to improve the school since the previous inspection."*

Cottons Farm Ofsted Report July 2025

*"Trustees and those responsible for governance check that the school is taking the right action in the best interests of pupils."*

*"The Trust provides effective support and professional development for staff at all levels....the workload and wellbeing of staff is a priority."*

Northmoor Academy Ofsted Report September 2024

There continues to be more to do. The Trust has high expectations for our children and communities and strives to ensure that every child meets their potential. Our continued focus remains on raising attainment at every phase of primary education for every child while supporting their wellbeing and personal development.

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### Key Performance Indicators

##### **Our current Ofsted Profile (as of 31 August 2025)**

The Trust continues to support major improvement in schools that previously had significant challenges and are operating in areas of multiple disadvantage. 14 of our 17 Academies are rated 'Good' or better by Ofsted (1 Not Yet Inspected). This includes Academies that have sustained their good judgements through successive inspections since joining Harmony, ensuring that improvement is sustained for the long term. Overall, **94% of our Ofsted judgements are Good or Outstanding.**

Ofsted removed single word judgements in 2024-25 – these are reflected below for Lakeside:

#### North West

Alt Academy	Good
Greenfield Academy	Good
Greenhill Academy	Good
Norden Primary Academy	Good
Northmoor Academy	Good
Richmond Academy	Good
Spotland Primary Academy	Not Yet Inspected
Westwood Academy	Outstanding

#### Derby

Alvaston Junior Academy	Requires Improvement
Ash Croft Primary Academy	Good
Carlyle Infant and Nursery Academy	Good
Cavendish Close Junior Academy	Good
Cottons Farm Primary Academy	Good
Hackwood Primary Academy	Good
Lakeside Primary Academy	RI / Good / Good / RI / Good
Reigate Park Primary Academy	Good
Village Primary Academy	Good

The Trust currently meets the Department for Education's (DfE) definition of a 'Strong MAT'. Lakeside Academy is also accessing support from the DfE's RISE Programme, which is specifically focused on improving the quality of education at the Academy in collaboration with another Multi-Academy Trust.

#### Headlines from Our Provisional Statutory Assessment Outturn Statement (unvalidated data)

#### **Introduction**

The context in which we operate continues to become more complex and more challenging:

- 6,114 pupils on roll (Nursery to Year 6)
- A 4% increase in the proportion of pupils with SEND (now 22%) - 1,334 children identified as having SEND, 338 of those pupils have an Education Health Care Plan (EHCP) which is 5.5% of all pupils, 25% of our pupils with SEND
- 41% of pupils are identified as disadvantaged – nearly double the national average and much greater in some Academies
- 53% of pupils have English as an Additional Language (EAL)
- 101 pupils are currently at Child Protection/Child in Need status, 46 families accessing Early Help Support, and 515 children who have been known to Children's Social Care. In total, 662 pupils in families where intervention/support has or continues to be required

#### **Early Years – Proportions meeting a Good Level of Development (GLD)**

**Overall, the percentage of pupils meeting GLD has increased to 61%, a 2% uplift on the previous year (9% uplift since 2022).** This is a significant improvement considering the context and starting points of pupils. The investment made in resources (staffing, environments, Trust Leadership) is having a significant impact on the quality of provision and pupil outcomes overall. A good example of this is the improvements in early years Ofsted judgements, with this being rated as at least 'Good' in all relevant Academies.

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

The percentage of disadvantaged pupils meeting GLD has returned to 51%. This reverses the 7% increase achieved last year. The gap with the non-disadvantaged cohort has increased from 10% to 15%. The number of disadvantaged pupils meeting GLD is the same as the national average.

Girls' outcomes have increased to 71% (12% increase since 2022/23). Boys declined by 1% to 49%, with the gender gap continuing to widen. There is more to do to accelerate the progress of boys in the earliest stages of education.

Overall, there is good attainment in many areas of learning, but word reading, writing and number remain below 70% and are acting as a barrier to the further increase in GLD.

#### Key Stage One – Phonics

**Our outcome position as a Trust is 67%, which is a 2% increase from last year.** When pupils educated in Inclusion Hubs (who are working well below age related expectations) are removed from that data, this increases to 70%. The national average in 2023/24 was 80%.

There is strong evidence that the Harmony Phonics Framework is effective at raising early literacy levels with above average attainment from Hackwood 87% and Carlyle 85% and validation of the scheme's impact through successive Ofsted inspections.

There is also evidence of strong and improving performance against challenging contexts with Alt at 73% and Norden at 77%. It should be noted that two Academies causing concern last year have significantly improved their attainment - Reigate up 23% to 76% and Richmond up 33% to 67%.

#### Key Stage Two

Proportion of children achieving the Combined Measure at the end of Primary education (i.e. those meeting the expected standard in Reading, Writing, and Maths)

The overall proportion of children (with those known to have been 'discounted' from the final results) achieving the combined measure remains the same at **52%**. This is despite increasing challenge and the particularly low starting points of this cohort as they entered their final year.

By way of comparison, the national average of children meeting these combined expectations is up 1% to 62%. This means that the outcomes for Harmony are now 10% below that national average.

- The proportion of Harmony children meeting the Expected Standard in Reading was **65%**, which is the same as last year. The indicative national average for this measure is 75%, which means Harmony is 10% below national.
- The proportion of Harmony children meeting the Expected Standard in Writing was **67%**, which is the same as last year. The indicative national average for this measure was 72%, which means that the gap between Harmony and the national average has reduced to 5%.
- The proportion of Harmony children meeting the Expected Standard in Maths was **65%**, which remains the same as last year. The indicative national average for this measure was 74%, which means Harmony is 9% below national.

There were no downward trajectories in performance overall.

Harmony's outcomes need to be viewed in context as the proportions of children who are disadvantaged and have SEND are much higher than national averages as the table below shows.

	Combined %	Disadvantaged %	All SEND %	SEND EHCP %
National	62	25	18	3.5
Harmony all	52	41	22	5.5
Harmony Y6		49	20	5.0

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### ***FOR THE YEAR ENDED 31 AUGUST 2025***

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#### Reporting

Termly detailed reports are completed by the Chief Executive Officer, who reports progress on the Strategic Plan to the Board of Trustees. This includes key issues affecting individual Academies and feedback from Academy visits and forums. Data is regularly presented to the Board on key performance indicators including safeguarding and attendance.

The Director of Education reports on a termly basis to the Standards and Performance Committee. This includes further detail on an Academy-by-Academy basis including self-evaluation, Academy priorities, and the impact of action taken.

The Finance Committee receives detailed reports on a termly basis on the strategic and operational financial outcomes and compliance with all financial regulations and policies.

The Audit and Risk Committee is presented with termly internal scrutiny reports from the auditors along with updates on key risks and mitigation measures presented by the Executive Leadership Team alongside reviews of the Risk Register. There is also a termly compliance report presented to the Committee.

#### Going concern

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

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### Protecting the success of the academy trust

The Trustees have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the company for the benefit of its Members, stakeholders and the matters set out in section 172(1) of the Companies Act 2006. The Charities Commission has issued guidance which explains that charitable companies should take “promoting the success of the company” to mean “promoting the success of the charity to achieve its charitable purposes.”

The Harmony Trust is governed by its charitable objects. These charitable objects set out the purpose of the charity. The consequences of all decisions and activities of the charity are assessed by how they drive us towards achieving that long-term purpose, including by reference to the charity’s strategy, vision and values. As an educational charity, we are accountable not only to our funders and direct beneficiaries (our pupils) but also our parents and wider community. This ensures that the decisions we make as a charity, from the ground level through to the Board, are for their benefit. We are a values-driven organisation, and those values influence all decisions. Well-established involvement and consultation mechanisms, both direct (through parent and staff surveys) and indirect ensure that decisions made by the Trustees are informed by the needs of the organisation’s stakeholders.

#### a) Long-term consequences of any decision

Trustees consider the consequences of any strategic decision in the long-term as part of their assessment. We aim to ensure that as an organisation we balance our income and expenditure to ensure that our organisation remains sustainable in the long term. This is balanced against the needs of our pupils, staff, community and other stakeholders, to ensure we are spending the funding we receive from the Government in the most effective way to support our aims, and with integrity.

#### b) The interests of the company’s employees

Details of how the trustees consider the interests of the organisation’s employees can be found in the section engagement with employees within this report.

#### c) The need to foster the company’s business relationships with suppliers, customers and others

The Trust builds purposeful relationships with suppliers that bring both specialism and value for money. Where possible, it seeks to engage suppliers in the ethos and culture of the organisation. Engagement with ‘customers’ in the form of children and parents is a key part of the Trust’s strategy and delivery, with meaningful opportunities for both groups to give feedback on their experiences and influence future direction. There are also good examples of businesses supporting Academies, including Rolls Royce volunteers supporting improvements in the outdoor environment at Alvaston Junior Academy.

#### d) The impact of the company’s operations on the community and the environment

The Trust also aims to be an employer of choice within local communities and has a good track record of employing and retaining local staff. This year also saw the launch of an initial teacher training programme delivered by the Trust and Teach First aimed at encouraging local people into teaching. Children and staff take their responsibilities to the local community very seriously and there are numerous examples of community engagement across our Academies, ranging from supporting local care homes and hospices, children’s fundraising for local charities, and pupil-led action to improve the local community environment.

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

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e) The desirability of the Trust maintaining a reputation for high standards of business conduct

The Trust aims to conduct all its relationships with integrity and courtesy, and to honour all business agreements. The Trustees have approved several policies that help to ensure we maintain high standards of business conduct; these include the Business Continuity Policy, Anti-Fraud and Bribery Policy, Whistleblowing Policy, Register of Business Interests, Modern Slavery Policy, Social Media Policy and Gifts, Hospitality and Rewards Policy.

f) The need to act fairly as between members of the company

All Members of the Trust are treated fairly and equally, with the same access to information, the ability to directly contact Trustees, the Chief Executive Officer or any member of the senior leadership team.

All matters reserved for decision by the Trustees are presented at Board or Committee meetings as appropriate. Trustees are briefed on any identified potential impacts and risks for our stakeholders and how they are to be managed. The Trustees take these factors into account before making a final decision which together they believe is in the best interests of the Trust and its children, staff, and families.

#### Financial review

The Harmony Trust's income is derived in the main from the Department of Education (DfE) in the form of revenue and capital grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2025 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned.

Incoming resources during the year ended 31 August 2025 totalled £62.3m (2024: £36.2m) and were sufficient to cover outgoing resources and provided a surplus of £364k (2024: £54k) before transfers and other recognised gains and losses.

At the 31 August 2025 the net book value of fixed assets was £92.3m (2024: £74.9m). The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

At the 31 August 2025 the net assets excluding pension liability was £93.4m (2024: £76.6m).

#### Pension Liability

The ultimate responsibility for setting the assumptions is that of the 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 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.



# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### Reserves policy

The Trust has an established reserves policy, reviewed annually, designed to ensure the stability of operations and charitable activities in the face of unpredictable challenges. It supports strategic planning and informed decision-making, helping to mitigate risks to continuity.

In the current financial climate, the Trustees have taken the considered decision to depart from the previously stated reserves policy. This decision was made following a thorough assessment of the Trust's financial position and future needs and reflects a commitment to maintaining performance and outcomes in the short term while securing stability in the medium term.

Trustees recognise that while current reserves are at a level sufficient to address significant financial challenges, the immediate pressures—particularly in Academies facing improvement challenges, declining pupil numbers, and high resource demands—require a more flexible approach. In these cases, the Trust continues to support Academies operating in deficit, working closely with them to return to surplus through sustainable workforce models and robust financial monitoring.

Unrestricted reserves are pooled for the benefit of the Trust as a whole, and while the consolidated budget aims to return to breakeven as a minimum target, Trustees have agreed to a temporary deviation from this goal to protect educational outcomes and operational integrity. All licensed deficits will continue to be repaid once sustainability is achieved.

Medium-term financial planning, Financial Improvement Boards, and strengthened budget monitoring will guide the Trust back to an acceptable level of reserves. The reserves policy will remain under annual review, with flexibility built in to respond to evolving circumstances.

#### **Restricted Fixed Asset Reserves**

At 31 August 2025 the balance of the Fixed Asset Reserve stood at £92.4m - these assets are used by the Trust for providing education & for hire to the local community.

#### **Restricted General Reserves**

Restricted Income Funds must be spent by the trust on the provision of education. At the 31 August 2025 these funds totalled £231k, all of which represents committed expenditure in 2025-2026.

#### **Unrestricted Reserves**

Unrestricted funds are those funds that the Trust can spend how they believe appropriate - at 31 August 2025 the funds totalled £799k.

Trust policy is to aim to retain 5% of GAG funding whilst at the same time ensuring resources are primarily used to meet the needs of the pupils within the Trust. As outlined above the policy does recognise that there will be fluctuations on this target; the level of reserves is closely monitored by the Executive Leadership Team and Trustees.

#### **Pension Reserves**

The surplus on the Local Government Pension Schemes of £10,526k at 31 August 2025 (£1,925k surplus at 31 August 2024) does not result in a refund of, or a reduction in future contributions. Therefore no asset has been reflected in these accounts.

The position as at 31 August 2025 was £Nil.

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### Investment policy

The aim of this policy is to ensure that funds which The Harmony Trust Ltd does not immediately need to cover anticipated expenditure are invested in such a way as to maximise income within acceptable levels of risk.

The Harmony Trust Ltd owns 100% of the issued ordinary share capital of Harmony Trading Services Limited, a company incorporated in England and Wales. The principal activities of the company have included the provision of meals to Academies within Derby. However, following a re-procurement of this service, the company ceased trading for this purpose in November 2024. The purpose of Harmony Trading Services continues to be to support the objectives of The Harmony Trust. Its financial year end is 31 August 2025.

As and if funds become available for investment, proposals will be presented to the Board of Trustees for their approval.

The main purposes of the investment policy for the Trust are as follows:

- To ensure adequate cash balances are maintained in the current accounts to cover day to day working requirements
- To optimise returns on invested funds, with a minimum level of risk

#### Principal risks and uncertainties

The principal risks facing the trust currently are:

- To continue to mitigate the impact of disadvantage and other contextual factors (including an increase in the proportion of children with complex needs) on pupil attainment and to increase this for all pupil groups next year.
- To manage the impact of cost pressures and reducing pupil numbers on Academy sustainability, staffing, and minimise in year deficits
- To secure sufficient resources for the increasing number of children with additional needs and implement sustainable Inclusion Hubs with local authority commissioners
- To secure further sustainable improvement in Academies that are not yet rated Good in all Ofsted judgement areas, and to ensure that all academies continue to improve and overcome the contextual challenges of operating in communities facing disadvantage
- The retention and recruitment of high-quality staff, particularly in Academies facing improvement challenges and in Inclusion Hubs

The Trustees have a fundamental role to play in the management of risk, and the Board is also responsible for determining which types of risk are acceptable. Any decisions which affect the Trust's risk profile or exposure are to be approved by the Board of Trustees.

Trustees annually review the Trust's approach to risk management and approve changes or improvements to key elements of its processes and procedures.

The Chief Financial Officer (CFO) has the lead operational responsibility for risk. The Trust maintains a comprehensive Risk Register and changes are reported by exception to the Audit & Risk Committee throughout the year. The Trust is a member of the DfE Risk Protection Arrangements.

Internal control is embedded in the Trust and the following are in place to respond to a variety of operational, financial and commercial risk:

#### a. Policies and Procedures

Policies are set by Executive Leadership Team and Trustees and implemented by the senior management team across the Harmony Trust Ltd.

#### b. Strategic Planning and Budgeting

The strategic planning and budgeting process is used to set objectives, agree action plans, and allocate resources. Medium term financial plans along with projected pupil numbers are reviewed regularly.

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### c. Internal Scrutiny Programme

To deliver assurance and comply with the Academy Trust Handbook, the Trustees appoint external auditors to carry out a process of checking financial systems, controls, transactions and other areas of risk. There is a three-year Audit needs Assessment plan in place and a detailed programme of work to be carried out during the next financial year which will focus on key areas of risk arising from internal controls.

#### d. Risk Management Strategy

The Risk Management Strategy adopted by Trustees aims to ensure that the Trust complies with risk management best practice and that the risks classified in the Risk Register as being of *high impact and likelihood* are addressed and appropriate action is taken.

#### Financial and risk management objectives and policies

The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trusts' exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The Trusts' system of internal controls ensures risk is minimal in these areas.

Where appropriate, systems or procedures have been established to mitigate risk that each academy within the Trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of transactions and projects. Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to specific teaching, provision of facilities and other operational areas of the Trust and its finances.

Trustees have implemented a number of systems to assess the risk that each academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to control of finances. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk.

A material risk for the Trust in relation to the defined benefit pension scheme has been mitigated as Parliament has agreed at the request of the Secretary of State for Education to guarantee that in the event of an academy closure, outstanding LGPS pension scheme liabilities would be met by the Department for Education. This guarantee came into force on 18 July 2013.

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

#### **Fundraising**

All fund-raising across the Trust will be used to support the following initiatives:

1. HTML Strategy – Harnessing Technology Maximising Learning
2. Read Achieve Succeed
3. Pupil trips and experiences

Pupils carry out fundraising activities for national fund-raising initiatives such as Children in Need, Sports Relief etc.

Fundraising activities are voluntary and there is no expectation to contribute. There is transparency as to what the funds will be used for. All proceeds are banked and coded discretely within the Academy budgets, once all funds have been received a payment is made to the charity in question or released within the budget to be used as intended.

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### Streamlined energy and carbon reporting

	2025 kWh	2024 kWh
<i>Energy consumption</i>		
Aggregate of energy consumption in the year		
- Gas combustion	4,099,008	3,794,069
- Fuel consumed for transport	49,093	39,084
- Electricity purchased	1,591,246	1,529,495
	<u>5,739,347</u>	<u>5,362,648</u>
	2025	2024
<i>Emissions of CO2 equivalent</i>	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	749.95	692.57
- Fuel consumed for owned transport	-	-
	<u>749.95</u>	<u>692.57</u>
Scope 2 - indirect emissions		
- Electricity purchased	281.65	295.77
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust	13.57	9.08
	<u>1,045.17</u>	<u>997.42</u>
Total gross emissions		
	<u>0.19</u>	<u>0.22</u>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil		

#### Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2025 UK Government's Conversion Factors for Company Reporting.

#### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

#### Measures taken to improve energy efficiency

Energy consumption has increased in year mainly due to the addition of two new academies and an uptake in business travel. We have seen a national trend of staff spending more time in offices and conducting visits to academies. We do continue to hold all Strategic Board Meetings electronically using Microsoft Teams with an option to attend in person. Despite the increase in consumption, overall, the **intensity ratio/energy consumption per pupil has reduced**.

We are committed to reducing our carbon footprint and reducing our impact on the environment. We continue to use renewable energy sources and have completed a switch to LED lighting across all sites with the intention to do this across our new academies. We have invested in software to complete automatic shut-down of computers at 7pm each evening and the Asset Management Plan has identified a programme of boiler replacements and all new boilers are/will be bio-degradeable. We utilise cloud computing and do not have any on-site servers.

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### Plans for future periods

The expansion of Harmony Trust has always been guided by the aims of ensuring more children can benefit from an excellent education and creating more opportunities for staff to progress their careers and collaborate with a wider group of practitioners. Ensuring that growth does not compromise the education of the children currently in Harmony Academies has always been a key objective.

These remain the principles behind our approach to growth. The long-term direction of Harmony is to continue to grow as an organisation and support children, communities and schools where we are best placed to improve the quality of education. Our geographical focus will continue to be on the East Midlands and the North West and building purposeful partnerships that enhance the opportunities for our children and staff, particularly in more disadvantaged contexts. The Trust has also expanded the delivery of Inclusion Hubs (specialist provision within mainstream settings) and develop its external educational services further, particularly in the provision of CPD programmes to other schools and providers.

Harmony led primary programmes as part of the DfE's Priority Education Investment Area initiative in Tameside and is looking to develop similar, further commissions with Government, Local Authorities, and other schools.

The Trust's growth and sustainability strategy continues to be:

- Improve the sustainability of academies with falling pupil rolls through offering early years and Inclusion Hub provision
- Specifically, to expand the provision of Under 3 early years education in all appropriate Academies (i.e. those with an infant phase) and accompanied by further capital development on the estate to facilitate this
- To ensure that all expansions of both Early Years and Inclusion Hub provision are permanent and agreed through the DfE's Significant Change process. To date, Significant Changes have been agreed by DfE for 8 Academies. These are Alt (change in age range); Alvaston (change in designation for the Inclusion Hub); Ash Croft (Inclusion Hub and change in age range); Northmoor (Inclusion Hub and Early Development Hub); Richmond (Inclusion Hub for children with SEMH alongside already approved Inclusion Hub for children with SCLN and ASC); Greenfield (Inclusion Hub); Greenhill (Inclusion Hub) and Village (Inclusion Hub)
- To attract new schools to the Trust through highly effective education and organisational infrastructure and to provide school improvement support to schools in the North West
- Continue to develop infrastructure teams that are responsive and agile, effective and efficient, and ensure that academies have access to high quality support from the Trust
- Continue to develop and provide enhanced high-quality education, business, HR, ICT, and finance infrastructure that is efficient and effective in comparison with sector benchmarks
- Increase the scope of centrally deployed local workforces for leadership, teaching and support staff to enable maximum flexibility in responding to needs and the context in academies, while responding to fluctuating pupil numbers over time
- Continue to implement robust business continuity plans
- Actively seek out opportunities to attract capital investment, particularly for Early Years provision and Inclusion Hubs

#### Finance strategy

- Maintain a 3-year budget plan / Medium Term Financial Strategy to support the Trust Five Year Strategic Plan, ensuring resources can be allocated effectively and responsively to need
- Ensure that there are sustainable reserves that enables the Trust to pursue initiatives that benefit all children across the academies (for example, experiences provided under the Harmony Pledge) and resource improvement in specific Academies
- Ensure robust mechanisms are in place to comply with statutory policies and regulations
- Implement Finance Improvement Boards (FIBs) to ensure better value for money/deeper understanding of budgets and financial risks in Academies in a deficit position
- To implement a workforce model that ensure the most effective deployment of staff
- Ensure there is a defined Internal Scrutiny Programme in place that meets all requirements of the Academies Trust Handbook and improves value for money
- Continual review and improvement of financial management and planning including the use of benchmarking

# THE HARMONY TRUST LTD

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### Leadership strategy

- Ensure the Trust has high quality Leadership and infrastructure through succession planning and a major leadership development programme.
- To develop the next cohort of middle and senior leaders both in the academies and in infrastructure teams through continued investment in their professional development.
- To ensure that all existing executive and senior leaders are involved in taking forward the Trust Strategic Plan and improvement priorities and that there is distributed leadership.

#### Funds held as custodian trustee on behalf of others

The trust does not act as Custodian Trustee on behalf of others.

#### Auditor

In so far as the Trustees are aware:

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

A resolution proposing that Cooper Parry Group Limited be reappointed as auditor of the charitable company will be put to the members.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 01 December 2025 and signed on its behalf by:

Signed by:



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A McCully

**Chair of Trustees**

# THE HARMONY TRUST LTD

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that The Harmony Trust Ltd 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 the DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Harmony Trust Ltd and the Secretary of State for Education. The Accounting Officer is 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 3 times during the year.

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

Trustees	Meetings attended	Out of possible
A McCully (Chair of Trustees)	3	3
C Thorne (Chair of Finance Committee)	3	3
I Robinson	3	3
G McGuffie (Resigned 11 September 2025)	2	3
O Smythe	3	3
N Saleh	1	3
A Lant (Resigned 28 November 2025)	1	3
B Flynn (Resigned 27 September 2024)	0	0
R Littley (Appointed 1 February 2025)	2	2
S Willis (Appointed 1 February 2025)	1	2
T Jay (Appointed 1 February 2025)	2	2
J Kempton (Appointed 1 November 2025)	0	0
G Kay (Appointed 1 November 2025)	0	0
J Balderstone (Appointed 1 November 2025)	0	0

# THE HARMONY TRUST LTD

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

The Board incorporates trustees with particular experience in working in senior positions within the education sector and other areas who are well placed to support and challenge the Executive Leadership.

The feedback from the successive Ofsted reports about the effectiveness and impact of governance has been very encouraging and reinforced confidence in the model of differentiated challenge and support from Trustees to individual academies and their leaders. September 2024 Ofsted Inspectors noted 'Trustees and those responsible for governance check the school is taking the right action in the best interest of all pupils' and in July 2025 'Trustees know the school. They have appropriate oversight. They have taken effective action to improve the school since the previous inspection'.

Members have been proactive, keeping in touch with strategic developments over the period. The Trust has five members, none of whom are Trustees.

The Trust's Governance is supported by a Governance Professional, who supports the review of effectiveness of Governance mechanisms and ensures business is dealt with in a timely fashion.

The Finance Committee and Audit and Risk Committee are separate subcommittees of the main Board of Trustees; their purpose is to assist the decision making of the Board of Trustees, by enabling more detailed discussion and consideration on matters concerning the Trusts financial management, utilisation of resources, risk management, and audit matters

The CEO and CFO also meet with the Chair of the Board and Chair of Finance Committee on a termly basis to consider the Trusts Medium Term Financial Strategy in more detail.

Finance was also covered by the main Board during the year.

Attendance at Finance Committee in the year was as follows:

Trustees	Meetings attended	Out of possible
A McCully (Chair of Trustees)	3	3
C Thorne (Chair of Finance Committee)	3	3
I Robinson	3	3
G McGuffie (Resigned 11 September 2025)	2	2
O Smythe	3	3
S Willis (Appointed 1 February 2025)	1	1

Attendance at Audit and Risk Committee in the year was as follows:

Trustees	Meetings attended	Out of possible
A McCully (Chair of Trustees)	3	3
I Robinson	3	3
G McGuffie (Resigned 11 September 2025)	2	2
O Smythe	2	2
N Saleh	1	1
T Jay (Appointed 1 February 2025)	1	1



# THE HARMONY TRUST LTD

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### Review of value for money

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

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

- Adhering to Financial Regulations and getting quotes as necessary
- Using preferred suppliers
- Retendering contracts as necessary
- Obtaining economies of scale by procuring contracts at trust level
- Developing an agile work-force to support the allocation of deployment where needs arise

#### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Harmony Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Harmony Trust Ltd 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 Harmony 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 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 Harmony 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 Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks

# THE HARMONY TRUST LTD

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

Internal Scrutiny is provided by Wbg LLP.

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

- Payroll
- Contract Management
- Finance & Budgeting System

The Audit Needs Assessment (ANA) has identified the following areas for review in the coming finance year:

- Cyber Security
- Debt Management
- Health and Safety

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

The auditor has delivered their schedule of work as planned. At the date of signing the statutory report there was no material control issues arising as a result of the internal scrutiny work

#### Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the Executive Leaders within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

#### Conflicts of interest

The Trust maintains an up-to-date and complete register of interests. Conflict of interests is a standing item on all full board meeting and committee meeting agendas in order to give Trustees the opportunity to declare any interests in general, and specifically in relation to the agenda itself. This is formally minuted. Should any interests be declared, the relevant Trustee would abstain from any discussion or decision making for that agenda item.

#### Conclusion

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

Approved by order of the Board of Trustees on 01 December 2025 and signed on its behalf by:

Signed by:



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A McCully

**Chair of Trustees**

DocuSigned by:



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A Hughes

**Accounting Officer**

# THE HARMONY TRUST LTD

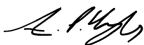
## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2025

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As accounting officer of The Harmony Trust Ltd, I have considered my responsibility to notify the academy trust Board of Trustees and the Department for Education (DfE) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2024.

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

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

DocuSigned by:  
  
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A Hughes  
**Accounting Officer**

01 December 2025

# THE HARMONY TRUST LTD

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### FOR THE YEAR ENDED 31 AUGUST 2025

The trustees (who are also the directors of The Harmony Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction 2024 to 2025 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 in the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 01 December 2025 and signed on its behalf by:

Signed by:



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A McCully

**Chair of Trustees**

# THE HARMONY TRUST LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARMONY TRUST LTD

**FOR THE YEAR ENDED 31 AUGUST 2025**

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### Opinion

We have audited the financial statements of The Harmony Trust Ltd for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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 charitable company'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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2024 to 2025.

### Basis for opinion

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

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

We have nothing to report in this regard.

# THE HARMONY TRUST LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARMONY TRUST LTD (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2025**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

In the light of the 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 incorporated 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 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 charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

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.

# THE HARMONY TRUST LTD

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HARMONY TRUST LTD (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2025**

### Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team and involving relevant internal specialists, including tax, and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management and those charged with governance concerning actual and potential litigation claims;
- in assessing the risk of fraud through management override of controls, testing the appropriateness of journal entries and assessing whether judgements made in making accounting estimates are indicative of potential bias.

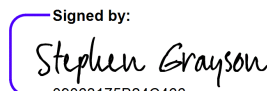
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

### Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:



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**Stephen Grayson ACA FCCA (Senior Statutory Auditor)**  
for and on behalf of Cooper Parry Group Limited

1 December 2025

**Statutory Auditor**

St James Building  
79 Oxford Street  
Manchester  
M1 6HT

# THE HARMONY TRUST LTD

## INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE HARMONY TRUST LTD AND THE SECRETARY OF STATE FOR EDUCATION

**FOR THE YEAR ENDED 31 AUGUST 2025**

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In accordance with the terms of our engagement letter dated 16 September 2025 and further to the requirements of the Department for Education (DfE) as included in the Academies Accounts Direction 2024 to 2025, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Harmony Trust Ltd during the period 1 September 2024 to 31 August 2025 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of the accounting officer of The Harmony Trust Ltd and the reporting accountant**

The accounting officer is responsible, under the requirements of The Harmony Trust Ltd's funding agreement with the Secretary of State for Education dated 29 September 2015 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. 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 period 1 September 2024 to 31 August 2025 have not been applied for the 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 Accountants 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.

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 academy trust's compliance with safeguarding, health and safety and estates management.



## THE HARMONY TRUST LTD


### INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE HARMONY TRUST LTD AND THE SECRETARY OF STATE FOR EDUCATION (CONTINUED)

***FOR THE YEAR ENDED 31 AUGUST 2025***

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#### **Conclusion**

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

Signed by:  
  
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#### **Reporting Accountant**

Cooper Parry Group Limited  
St James Building  
79 Oxford Street  
Manchester  
M1 6HT

01 December 2025

# THE HARMONY TRUST LTD

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds £	Restricted funds: General    Fixed asset £            £		Total 2025 £	Total 2024 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	79,355	-	1,398,292	1,477,647	939,023
Donations - Transfer from local authority on conversion	27	-	779,000	18,870,000	19,649,000	-
Charitable activities:						
- Funding for educational operations	4	777,594	40,257,711	-	41,035,305	35,176,839
Other trading activities	5	148,667	-	-	148,667	120,229
<b>Total</b>		1,005,616	41,036,711	20,268,292	62,310,619	36,236,091
<b>Expenditure on:</b>						
Raising funds	6	13,676	-	-	13,676	12,380
Charitable activities:						
- Educational operations	8	900,000	40,764,846	2,514,954	44,179,800	37,828,296
<b>Total</b>	6	913,676	40,764,846	2,514,954	44,193,476	37,840,676
<b>Net income/(expenditure)</b>		91,940	271,865	17,753,338	18,117,143	(1,604,585)
Transfers between funds	18	(510,000)	899,007	(389,007)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	26	-	7,340,000	-	7,340,000	1,246,000
Adjustment for restriction on pension assets	26	-	(8,017,000)	-	(8,017,000)	(686,000)
<b>Net movement in funds</b>		(418,060)	493,872	17,364,331	17,440,143	(1,044,585)
<b>Reconciliation of funds</b>						
Total funds brought forward		1,216,609	(263,272)	75,030,635	75,983,972	77,028,557
Total funds carried forward		798,549	230,600	92,394,966	93,424,115	75,983,972

# THE HARMONY TRUST LTD

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 AUGUST 2025**

Comparative year information Year ended 31 August 2024	Notes	Unrestricted funds	Restricted funds:		Total
		£	General £	Fixed asset £	2024 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	231,411	-	707,612	939,023
Charitable activities:					
- Funding for educational operations	4	628,967	34,547,872	-	35,176,839
Other trading activities	5	120,229	-	-	120,229
<b>Total</b>		980,607	34,547,872	707,612	36,236,091
<b>Expenditure on:</b>					
Raising funds	6	12,380	-	-	12,380
Charitable activities:					
- Educational operations	8	900,000	34,562,302	2,365,994	37,828,296
<b>Total</b>	6	912,380	34,562,302	2,365,994	37,840,676
<b>Net income/(expenditure)</b>		68,227	(14,430)	(1,658,382)	(1,604,585)
Transfers between funds	18	(283,000)	156,881	126,119	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	26	-	1,246,000	-	1,246,000
Adjustment for restriction on pension assets	26	-	(686,000)	-	(686,000)
<b>Net movement in funds</b>		(214,773)	702,451	(1,532,263)	(1,044,585)
<b>Reconciliation of funds</b>					
Total funds brought forward		1,431,382	(965,723)	76,562,898	77,028,557
Total funds carried forward		1,216,609	(263,272)	75,030,635	75,983,972

# THE HARMONY TRUST LTD

## BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
<b>Fixed assets</b>					
Tangible assets	12	92,261,477		74,921,489	
Investments	13		1		1
		92,261,478		74,921,490	
<b>Current assets</b>					
Debtors	14	3,511,174		2,424,908	
Cash at bank and in hand		2,317,414		1,949,659	
		5,828,588		4,374,567	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(4,665,951)		(2,712,856)	
<b>Net current assets</b>		1,162,637		1,661,711	
<b>Total assets less current liabilities</b>		93,424,115		76,583,201	
Creditors: amounts falling due after more than one year	16	-		(15,229)	
<b>Net assets excluding pension liability</b>		93,424,115		76,567,972	
Defined benefit pension scheme liability	26	-		(584,000)	
<b>Total net assets</b>		93,424,115		75,983,972	
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds		92,394,966		75,030,635	
- Restricted income funds		230,600		320,728	
- Pension reserve		-		(584,000)	
<b>Total restricted funds</b>		92,625,566		74,767,363	
<b>Unrestricted income funds</b>	18	798,549		1,216,609	
<b>Total funds</b>		93,424,115		75,983,972	

The financial statements on pages 32 to 57 were approved by the Trustees and authorised for issue on 01 December 2025 and are signed on their behalf by:

Signed by:

  
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A McCully

**Chair of Trustees**

Company registration number 08840373 (England and Wales)

# THE HARMONY TRUST LTD

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2025**

	Notes	2025 £	£	2024 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by/(used in) operating activities	22		771,519		(720,831)
<b>Cash flows from investing activities</b>					
Capital grants from DfE Group		594,549		707,612	
Purchase of tangible fixed assets		(984,942)		(1,014,759)	
<b>Net cash used in investing activities</b>			(390,393)		(307,147)
<b>Cash flows from financing activities</b>					
Repayment of other loan		(13,371)		(13,371)	
<b>Net cash used in financing activities</b>			(13,371)		(13,371)
<b>Net increase/(decrease) in cash and cash equivalents in the reporting period</b>			367,755		(1,041,349)
Cash and cash equivalents at beginning of the year			1,949,659		2,991,008
<b>Cash and cash equivalents at end of the year</b>			2,317,414		1,949,659

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2025

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#### 1 Accounting policies

The Harmony Trust Ltd is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

##### 1.1 Basis of preparation

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

The Harmony Trust Ltd meets the definition of a public benefit entity under FRS102.

##### 1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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.

##### 1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Norden Primary Academy and Spotland Primary Academy to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 27.

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

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 1 Accounting policies

(Continued)

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 period it is receivable and to the extent the academy trust has provided the goods or services.

##### Donated goods, facilities and services

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

##### Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

##### Transfer of assets on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred on conversion is recognised within donations and capital grant income.

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 1 Accounting policies

(Continued)

##### 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.

#### 1.6 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised.

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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the multi academy trust's depreciation policy.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated value, over their expected useful lives on the following bases:

Long leasehold buildings*	2% - 20% straight line
Computer equipment	20% - 33% straight line
Fixtures, fittings & equipment	6.67% - 20% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

\*Long leasehold buildings are depreciated over the useful economic life of each component as stated in the professional valuation. Components include the building structure, internal fittings, internal services, roof and externals.

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

#### 1.7 Liabilities

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.

#### 1.8 Leased assets

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

#### 1.9 Investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the Statement of Financial activities.

#### 1.10 Financial instruments

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



# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 1 Accounting policies

(Continued)

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.11 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 chapter 3 part 11 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.

#### 1.12 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

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. The 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 are recognised in the period to which they relate.

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

#### 1.13 Fund accounting

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

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

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 1 Accounting policies

(Continued)

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

##### 1.14 Private Finance Initiative

The school buildings for Cottons Farm Primary Academy and Lakeside Primary Academy were built under a Private Finance Initiative ("PFI") agreement between Derby City Council (DCC), and a contractor.

When the schools converted to academies and became members of the Trust on 1 September 2018 and 1 January 2019 respectively, the agreement was legally amended to take account of the changes in circumstances. For the length of the agreement DCC undertake to fund the payments under the PFI Agreement. The proportion of the cost that relates to the operation and maintenance of the building is charged to The Harmony Trust Ltd by DCC on a quarterly basis.

Therefore, DCC funds the capital and finance costs payments under the agreement.

The cost included in these financial statements for the year ended 31 August 2025 is £597,283 (2024 - £575,136) and it is included in the statement of financial activities under the academy's educational operations.

Prior to conversion, the school buildings were included on the balance sheet within the financial statements for DCC. Following conversion to academy status, the properties have been transferred to the Harmony Trust Ltd and reflected in the financial statements within fixed assets.

#### 2 Critical accounting estimates and areas of judgement

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

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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.

FRS 102 section 28.22 allows an entity to recognise a surplus with 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 £10,526k (2024: £1,925k) at the year end date, the actuarial gain has been restricted to leave a break even position and neither an asset or liability has been recognised.

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 2 Critical accounting estimates and areas of judgement

(Continued)

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.

The key assumption is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate of 6.1% has increased from the 5.0% used in 2024. Since a higher discount rate means assets will grow more rapidly in the future, this results in lower current liabilities. This is the key driver for the swing that has resulted in the actuarial report showing a defined benefit asset and the financial statements reflecting a break even position.

#### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Capital grants	-	1,398,292	1,398,292	707,612
Other donations	79,355	-	79,355	231,411
	<u>79,355</u>	<u>1,398,292</u>	<u>1,477,647</u>	<u>939,023</u>

#### 4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	27,741,910	27,741,910	24,274,861
Other DfE/ESFA grants:				
- Pupil premium	-	3,170,845	3,170,845	2,979,294
- Others	-	3,523,993	3,523,993	3,321,172
	<u>-</u>	<u>34,436,748</u>	<u>34,436,748</u>	<u>30,575,327</u>
<b>Other government grants</b>				
Local authority grants	-	5,820,963	5,820,963	3,972,545
	<u>-</u>	<u>5,820,963</u>	<u>5,820,963</u>	<u>3,972,545</u>
<b>Other incoming resources</b>	<u>777,594</u>	<u>-</u>	<u>777,594</u>	<u>628,967</u>
<b>Total funding</b>	<u>777,594</u>	<u>40,257,711</u>	<u>41,035,305</u>	<u>35,176,839</u>

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Other income	35,263	-	35,263	12,045
Facilities hire	113,404	-	113,404	108,184
	<u>148,667</u>	<u>-</u>	<u>148,667</u>	<u>120,229</u>

#### 6 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2025 £	Total 2024 £
Expenditure on raising funds					
- Direct costs	-	-	13,676	13,676	12,380
Academy's educational operations					
- Direct costs	27,125,523	2,163,053	1,848,966	31,137,542	25,946,748
- Allocated support costs	6,032,318	3,131,715	3,878,225	13,042,258	11,881,548
	<u>33,157,841</u>	<u>5,294,768</u>	<u>5,740,867</u>	<u>44,193,476</u>	<u>37,840,676</u>

#### Net income/(expenditure) for the year includes:

	2025 £	2024 £
Operating lease rentals	289,751	276,804
Depreciation of tangible fixed assets	2,514,954	2,365,994
Fees payable to auditor for:		
- Audit	26,100	24,850
- Other services	8,350	8,600
Net interest on defined benefit pension liability	(127,000)	(16,000)
	<u></u>	<u></u>

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 7 Central services

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

- human resources;
- financial services;
- educational support services;
- data, safeguarding and health and safety;
- business administration & compliance;
- development team;
- HTML strategy;
- multi disciplinary teams (MDT);
- ICT support service;
- site management support services;
- others as arising.

The academy trust charges for these services on the following basis:

- 5% of Funding for core services which covers Strategic Leadership and Governance of the the Trust
- Direct recharge
- Allocated charge using Autumn census pupil numbers
- Any additional services provided are charged on a time apportioned basis throughout the year

The amounts charged during the year were as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Alt Academy	482,877	396,356
Greenhill Academy	517,552	453,155
Greenfield Primary Academy	253,925	270,605
Lakeside Primary Academy	601,918	522,873
Cottons Farm Primary Academy	161,082	120,600
Alvaston Junior Academy	462,204	380,054
Reigate Park Primary Academy	442,175	377,480
Carlyle Infant and Nursery Academy	211,381	170,103
Hackwood Primary Academy	272,181	253,488
Ash Croft Primary Academy	224,223	195,416
Village Primary Academy	658,436	605,922
Cavendish Close Junior Academy	455,033	424,107
Northmoor Academy	516,301	474,206
Richmond Academy	453,354	380,802
Westwood Academy	295,998	227,509
Norden Primary Academy	43,542	-
Spotland Primary Academy	50,227	-
	<u>6,102,409</u>	<u>5,252,676</u>

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
<b>Direct costs</b>				
Educational operations	-	31,137,542	31,137,542	25,946,748
<b>Support costs</b>				
Educational operations	900,000	12,142,258	13,042,258	11,881,548
	900,000	43,279,800	44,179,800	37,828,296
			<b>2025</b> £	<b>2024</b> £
<b>Analysis of support costs</b>				
Support staff costs			6,135,245	5,793,001
Depreciation			351,901	214,309
Technology costs			410,457	290,924
Premises costs			2,779,814	2,487,423
Legal costs			53,665	104,547
Other support costs			3,289,689	2,959,631
Governance costs			21,487	31,713
			13,042,258	11,881,548

#### 9 Staff

##### Staff costs and employee benefits

Staff costs during the year were:

	2025 £	2024 £
Wages and salaries	23,420,713	20,070,246
Social security costs	2,527,264	1,934,988
Pension costs	5,254,630	4,154,019
Staff costs - employees	31,202,607	26,159,253
Agency staff costs	1,936,046	1,683,519
Staff restructuring costs	19,188	7,153
	33,157,841	27,849,925
Staff development and other staff costs	102,927	86,675
Total staff expenditure	33,260,768	27,936,600
Staff restructuring costs comprise:		
Severance payments	19,188	7,153

THE HARMONY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

9 Staff (Continued)

Severance payments

The academy trust paid 3 severance payments in the year, disclosed in the following bands:

£0 - £25,000	3
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Staff numbers

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

	2025 Number	2024 Number
Teachers	289	249
Administration and support	530	475
Management	9	11
	<u>828</u>	<u>735</u>

Higher paid staff

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

	2025 Number	2024 Number
£60,001 - £70,000	22	12
£70,001 - £80,000	16	6
£80,001 - £90,000	7	5
£90,001 - £100,000	4	1
£100,001 - £110,000	3	2
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
£140,001 - £150,000	-	1
£150,001 - £160,000	1	-
	<u>1</u>	<u>-</u>

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 employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,362,334 (2024: £1,446,879).

10 Trustees' remuneration and expenses

None of the Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as Trustees.

During the period ended 31 August 2025, travel and subsistence expenses of £208 (2024: £1,306) were reimbursed or paid directly to 1 Trustee (2024: 1 Trustee).

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 11 Trustees' and officers' insurance

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

#### 12 Tangible fixed assets

	Long leasehold buildings*	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2024	88,977,255	1,514,920	1,304,797	91,796,972
Transfer on conversion	18,870,000	-	-	18,870,000
Additions	780,987	63,826	140,129	984,942
At 31 August 2025	108,628,242	1,578,746	1,444,926	111,651,914
<b>Depreciation</b>				
At 1 September 2024	15,381,061	934,728	559,694	16,875,483
Charge for the year	2,163,053	232,060	119,841	2,514,954
At 31 August 2025	17,544,114	1,166,788	679,535	19,390,437
<b>Net book value</b>				
At 31 August 2025	91,084,128	411,958	765,391	92,261,477
At 31 August 2024	73,596,194	580,192	745,103	74,921,489

\* Included in the additions of leasehold buildings is the capitalisation of improvements of £780,987 which were carried out in the year. The additions are included at cost.

#### 13 Fixed asset investments

	£
<b>Historical cost:</b>	
At 31 August 2025	1
At 31 August 2024	1

The Harmony Trust Ltd owns 100% of the issued ordinary share capital of Harmony Trading Services Limited, a company incorporated in England and Wales. The principal activities of the company have included the provision of meals to Academies within Derby. However, following a re-procurement of this service, the company ceased trading for this purpose in November 2024. The purpose of Harmony Trading Services continues to be to support the objectives of The Harmony Trust. Its financial year end is 31 August 2025.

The accounts of the subsidiary do not justify consolidation, as Harmony Trading Services Limited is not deemed to be material to the organisation as a whole. The materiality of the Trading company will be reviewed on an annual basis, thus ensuring that the financial statements continue to be prepared using best accounting practice.



# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 14 Debtors

	2025 £	2024 £
Trade debtors	102,342	149,617
Other debtors	454,730	1,043,275
Prepayments and accrued income	2,954,102	1,232,016
	<u>3,511,174</u>	<u>2,424,908</u>

### 15 Creditors: amounts falling due within one year

	2025 £	2024 £
Other loans	9,137	7,279
Trade creditors	526,568	608,413
Amounts owed to group undertakings	5,475	-
Other taxation and social security	620,294	445,441
Other creditors	75,181	750
Accruals and deferred income	3,429,296	1,650,973
	<u>4,665,951</u>	<u>2,712,856</u>

### 16 Creditors: amounts falling due after more than one year

	2025 £	2024 £
Other loans	-	15,229
	<u>-</u>	<u>15,229</u>
<b>Analysis of loans</b>	<b>2025 £</b>	<b>2024 £</b>
Wholly repayable within five years	9,137	22,508
Less: included in current liabilities	(9,137)	(7,279)
	<u>-</u>	<u>15,229</u>
<b>Loan maturity</b>		
Debt due in one year or less	9,137	7,279
Due in more than one year but not more than two years	-	7,279
Due in more than two years but not more than five years	-	7,950
	<u>9,137</u>	<u>22,508</u>

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 16 Creditors: amounts falling due after more than one year

(Continued)

Included within other loans is a loan of £nil (2024 - £2,572) from SALIX under the Condition Improvement Fund provided on the following terms: Interest free, repayable over eight years by 16 six monthly payments of £1,286 commencing 1 September 2017. The final loan repayment was made during the year and has now been repaid in full.

Also included within other loans are further loans of £2,817 (2024 - £4,694) and £6,320 (2024 - £10,535) from SALIX under the Condition Improvement Fund, which are provided on the following terms: Interest free, repayable over 14 years by 16 six monthly payments of £939 and £2,107 commencing September 2026.

Also included within other loans are further loans of £nil (2024 - £4,707) loan from SALIX under the Condition Improvement Fund which are provided on the following terms: Interest free, repayable over the loans remaining 4 years in 8 six monthly payments of £2,354. The final loan repayment was made during the year and has now been repaid in full.

#### 17 Deferred income

	2025 £	2024 £
Deferred income is included within:		
Creditors due within one year	2,543,619	1,082,157
	<u>          </u>	<u>          </u>
Deferred income at 1 September 2024	1,082,157	1,122,899
Released from previous years	(1,082,157)	(1,122,899)
Resources deferred in the year	2,543,619	1,082,157
	<u>          </u>	<u>          </u>
Deferred income at 31 August 2025	2,543,619	1,082,157
	<u>          </u>	<u>          </u>

Included within deferred income at the balance sheet date are the following key balances which the trust was holding funds received in advance:

- School Capital Funding of £729,625 (2024 - £419,353)
- Universal Infant Free School Meals £316,476 (2024 - £282,799)
- Early Years Funding of £141,622 (2024 - £194,947)
- Other Funding £313,820 (2024 - £185,057)
- SEND Capital Funding £1,042,076 (2024 - £nil)

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 18 Funds

	Balance at 1 September 2024 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2025 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	2,636	27,741,910	(28,532,783)	899,007	110,770
Pupil premium	145,881	3,170,845	(3,316,726)	-	-
Other DfE/ESFA grants	-	3,523,993	(3,523,993)	-	-
Other government grants	172,211	5,820,963	(5,798,344)	-	194,830
Other restricted funds	-	(75,000)	-	-	(75,000)
Pension reserve	(584,000)	854,000	407,000	(677,000)	-
	(263,272)	41,036,711	(40,764,846)	222,007	230,600
<b>Restricted fixed asset funds</b>					
Inherited on conversion	72,735,232	18,870,000	(2,151,685)	-	89,453,547
DfE group capital grants	2,295,403	1,398,292	(363,269)	(389,007)	2,941,419
	75,030,635	20,268,292	(2,514,954)	(389,007)	92,394,966
<b>Total restricted funds</b>	74,767,363	61,305,003	(43,279,800)	(167,000)	92,625,566
<b>Unrestricted funds</b>					
General funds	1,216,609	1,005,616	(913,676)	(510,000)	798,549
<b>Total funds</b>	75,983,972	62,310,619	(44,193,476)	(677,000)	93,424,115

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

#### Restricted Funds

The General Annual Grant (GAG) is used specifically for the normal running costs incurred in delivering the objects of the Trust as set out in the Company's Articles.

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

The other funds identified within restricted general funds are spent in line with the criteria attached to them.

#### Restricted fixed asset funds

The capital grants include DFC and School Capital Allowance funding from the DfE and amounts inherited on conversion.

#### Unrestricted funds

Unrestricted funds are those other resources which may be used to further the objectives of the Academy and include the balance transfer of cash from the date of conversion to an academy.

The academy trust is carrying a net surplus of £1,029k restricted general funds (excluding pension reserve) plus unrestricted funds as at 31 August 2025.

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 18 Funds

(Continued)

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

	Balance at 1 September 2023 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2024 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	3,926	24,274,861	(24,933,032)	656,881	2,636
Pupil premium	101,198	2,979,294	(2,934,611)	-	145,881
Other DfE/ESFA grants	-	3,321,172	(2,821,172)	(500,000)	-
Other government grants	346,153	3,972,545	(4,146,487)	-	172,211
Pension reserve	(1,417,000)	-	273,000	560,000	(584,000)
	(965,723)	34,547,872	(34,562,302)	716,881	(263,272)
<b>Restricted fixed asset funds</b>					
Inherited on conversion	74,881,302	-	(2,146,070)	-	72,735,232
DfE group capital grants	1,681,596	707,612	(219,924)	126,119	2,295,403
	76,562,898	707,612	(2,365,994)	126,119	75,030,635
<b>Total restricted funds</b>	75,597,175	35,255,484	(36,928,296)	843,000	74,767,363
<b>Unrestricted funds</b>					
General funds	1,431,382	980,607	(912,380)	(283,000)	1,216,609
<b>Total funds</b>	77,028,557	36,236,091	(37,840,676)	560,000	75,983,972

#### Total funds analysis by academy

Fund balances for each academy as at 31 August 2025 and 31 August 2024 were zero, hence a breakdown by academy is not included in these accounts.

#### Total cost analysis by academy

The academy trust operates by pooling its reserves and managing them at trust level. Accordingly, no analysis of expenditure by individual academy would be meaningful to present here.

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2025 are represented by:</b>				
Tangible fixed assets	-	-	92,261,477	92,261,477
Fixed asset investments	-	-	1	1
Current assets	798,549	4,896,551	133,488	5,828,588
Current liabilities	-	(4,665,951)	-	(4,665,951)
<b>Total net assets</b>	<b>798,549</b>	<b>230,600</b>	<b>92,394,966</b>	<b>93,424,115</b>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2024 are represented by:</b>				
Tangible fixed assets	-	-	74,921,489	74,921,489
Fixed asset investments	-	-	1	1
Current assets	1,216,609	3,048,813	109,145	4,374,567
Current liabilities	-	(2,712,856)	-	(2,712,856)
Non-current liabilities	-	(15,229)	-	(15,229)
Pension scheme liability	-	(584,000)	-	(584,000)
<b>Total net assets</b>	<b>1,216,609</b>	<b>(263,272)</b>	<b>75,030,635</b>	<b>75,983,972</b>

#### 20 Capital commitments

	2025 £	2024 £
Expenditure contracted for but not provided in the financial statements	38,455	43,510

Both the 2025 and 2024 balance relate to the outstanding commitments on building projects.

#### 21 Long-term commitments

##### Operating leases

At 31 August 2025 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2025 £	2024 £
Amounts due within one year	65,589	214,461
Amounts due in two and five years	78,121	94,385
	<b>143,710</b>	<b>308,846</b>

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 21 Long-term commitments

(Continued)

##### Consideration of Cottons and Lakeside PFI Buildings

On conversion to an academy trust, the PFI properties were transferred from Derby City Council to the school via a donation. No Liability has arisen as a result of these transactions as Derby City Council retained ultimate responsibility for the outstanding capital finance. However, a financial commitment exists for the schools in the form of PFI quarterly charges to cover the service charge element of the unitary charge payable by Derby City Council. The commitment amounts to a £435,618 within 1 year and £1,742,472 within 2-5 years, subject to an increase which is linked to the retail price index. The PFI contributions are recognised within the SOFA.

#### 22 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Notes	2025 £	2024 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		18,117,143	(1,604,585)
Adjusted for:			
Net surplus on conversion to academy	27	(19,649,000)	-
Capital grants from DfE and other capital income		(1,398,292)	(707,612)
Defined benefit pension costs less contributions payable	26	(280,000)	(257,000)
Defined benefit pension scheme finance income	26	(127,000)	(16,000)
Depreciation of tangible fixed assets		2,514,954	2,365,994
(Increase) in debtors		(282,523)	(742,931)
Increase in creditors		1,951,237	241,303
Stocks, debtors and creditors transferred on conversion	27	(75,000)	-
<b>Net cash provided by/(used in) operating activities</b>		<b>771,519</b>	<b>(720,831)</b>

#### 23 Analysis of changes in net funds

	1 September 2024 £	Cash flows £	31 August 2025 £
Cash	1,949,659	367,755	2,317,414
Loans falling due within one year	(7,279)	(1,858)	(9,137)
Loans falling due after more than one year	(15,229)	15,229	-
	<b>1,927,151</b>	<b>381,126</b>	<b>2,308,277</b>

#### 24 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 or she is a Member, or within one year after he or she ceases to be a Member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a Member.

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 25 Related party transactions

The Harmony Trust Ltd owns 100% of the issued ordinary share capital of Harmony Trading Services Limited. The company has taken advantage of the exemption in FRS102 not to disclose transactions with wholly owned subsidiaries.

### 26 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2022.

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

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify 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.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% employer administration charge),
- 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 SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI and is based on the Office for Budget Responsibility's forecast for long-term GDP Growth.

The revised employer contribution rate, arising from the 2020 valuation, was implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2027.

The total contributions made for the year ended 31 August 2025 to TPS was £4,905,941 (2024 - £3,746,272) of which employer's contributions totalled £3,679,116 (2024 - £2,753,480) and employees' contributions totalled £1,226,825 (2024 - £992,791).

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 26 Pension and similar obligations

(Continued)

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in 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 contributions are as noted below. The agreed contribution rates for future years are 19.3% - 24.4% for employers and 5.5% - 12.5% 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.

Total contributions made	2025 £	2024 £
Employer's contributions	1,822,000	1,684,000
Employees' contributions	551,000	505,000
Total contributions	2,373,000	2,189,000

Principal actuarial assumptions	2025 %	2024 %
Rate of increase in salaries	3.5-3.7	3.5-3.7
Rate of increase for pensions in payment/inflation	2.7	2.7
Discount rate for scheme liabilities	6.1	5.0

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

	2025 Years	2024 Years
Retiring today		
- Males	19.3-22.4	19.0-22.4
- Females	22.4-24.0	22.4-23.9
Retiring in 20 years		
- Males	19.3-24.5	19.1-24.5
- Females	23.9-25.3	23.9-25.3



# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 26 Pension and similar obligations

(Continued)

Scheme liabilities would have been affected by changes in assumptions as follows:

	2025 £	2024 £
0.1% decrease in Real Discount Rate	619,000	697,000
1 year increase in Member Life Expectancy	1,060,000	1,113,000
0.1% increase in the Pension Increase Rate (CPI)	609,000	682,000
0.1% increase in the Salary Increase Rate	28,000	30,000

#### Defined benefit pension scheme net asset/(liability)

	2025 £	2024 £
Scheme assets	37,035,000	29,769,000
Scheme obligations	(26,509,000)	(27,844,000)
Surplus / (deficit) in scheme	10,526,000	1,925,000
Restriction on scheme assets	(10,526,000)	(2,509,000)
Net asset/(liability)	-	(584,000)

#### The academy trust's share of the assets in the scheme

	2025 Fair value £	2024 Fair value £
Equities	23,920,000	19,867,000
Bonds	7,516,000	5,812,000
Cash	2,571,000	1,843,000
Property	3,028,000	2,247,000
Total market value of assets	37,035,000	29,769,000

The actual return on scheme assets was £2,135,000 (2024: £2,725,000).

#### Amount recognised in the statement of financial activities

	2025 £	2024 £
Current service cost	1,474,000	1,427,000
Interest income	(1,616,000)	(1,359,000)
Interest cost	1,489,000	1,343,000
Total operating charge	1,347,000	1,411,000

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

### 26 Pension and similar obligations

(Continued)

#### Changes in the present value of defined benefit obligations

2025

£

At 1 September 2024	27,844,000
Transferred in on existing academies joining the academy trust	2,242,000
Current service cost	1,474,000
Interest cost	1,489,000
Employee contributions	551,000
Actuarial (gain)/loss	(6,821,000)
Benefits paid	(338,000)
Past service cost	68,000
At 31 August 2025	26,509,000

#### Changes in the fair value of the academy trust's share of scheme assets

2025

£

At 1 September 2024	29,769,000
Transferred in on existing academies joining the academy trust	3,096,000
Interest income	1,616,000
Actuarial gain	519,000
Employer contributions	1,822,000
Employee contributions	551,000
Benefits paid	(338,000)
At 31 August 2025	37,035,000

# THE HARMONY TRUST LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2025

#### 27 Conversion to an academy

On 1 March 2025 Norden Primary Academy converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Harmony Trust Ltd from the Rochdale Local Authority for £nil consideration.

On 1 April 2025 Spotland Primary Academy converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Harmony Trust Ltd from the Rochdale Local Authority for £nil consideration.

The transfers have been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

<b>Academy</b>	<b>Location</b>	<b>Date of conversion</b>	
Norden Primary Academy	Greater Manchester	1 March 2025	
Spotland Primary Academy	Greater Manchester	1 April 2025	

	<b>Unrestricted funds</b>	<b>Restricted funds:</b>		<b>Total 2025</b>
	<b>£</b>	<b>General</b>	<b>Fixed asset</b>	<b>£</b>
<b>Net assets transferred:</b>		<b>£</b>	<b>£</b>	
Freehold land and buildings	-	-	18,870,000	18,870,000
Borrowing obligations	-	(75,000)	-	(75,000)
Pension scheme surplus	-	854,000	-	854,000
	-	779,000	18,870,000	19,649,000

	<b>Unrestricted funds</b>	<b>Restricted funds:</b>		<b>Total 2025</b>
	<b>£</b>	<b>General</b>	<b>Fixed asset</b>	<b>£</b>
<b>Funds surplus/(deficit) transferred:</b>		<b>£</b>	<b>£</b>	
Fixed assets funds	-	-	18,870,000	18,870,000
General funds - LA net deficit	-	(75,000)	-	(75,000)
General funds - pension reserve	-	854,000	-	854,000
	-	779,000	18,870,000	19,649,000