



# Academy Trust Updates 2024

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17 September 2024



# Your hosts



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# About BKL



**400+**  
people, including...



**39**  
partners



Accountancy Age UK Top  
50 firm of accountants,  
tax advisers and auditors



Offices in  
north London  
and central London



Part of a global network of  
businesses dedicated to  
balancing profit and purpose



We've worked with social mobility charity LTSB (Leadership Through Sport & Business) since it was founded in 2012, employing 30 LTSB apprentices on AAT training programmes and bringing in diverse talent.



# What we'll be covering

- / Sector updates
- / Academy Trust Handbook
- / Academies Accounts Direction

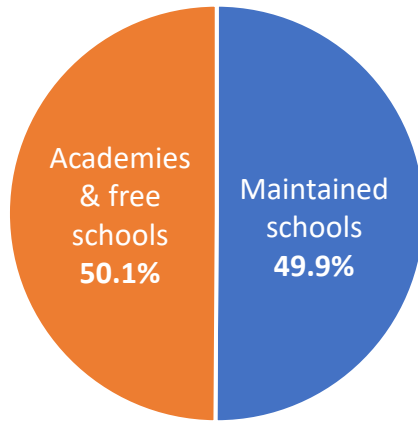
# Sector update [1/5]

- / Teachers' pay rise recommended (and Government accepted) on 1 September of 5.5%, fully funded
- / Support staff pay rise not yet agreed upon. Probably to come towards the end of 2024
- / MSAG now rolled into NFF
- / Teachers' Pension Employer Contribution Grant – Pre 16 element getting rolled into NFF for 24/25, 16-19 likely to stay outside formula
- / LGPS – Virgin Media case – expecting no changes at this stage

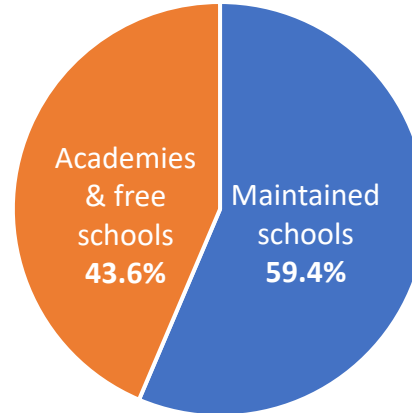
# Sector update [2/5]

Sector trending towards larger MATs – expect this to continue. However, all may change under new Labour Government

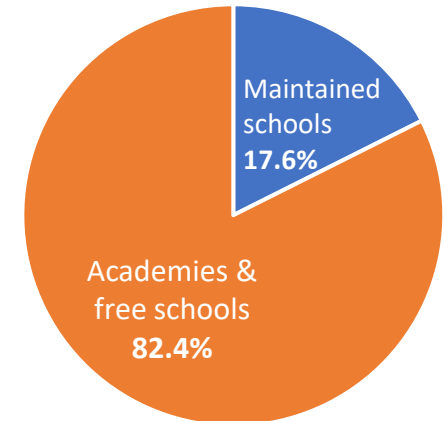
### All schools



### Primary schools



### Secondary schools

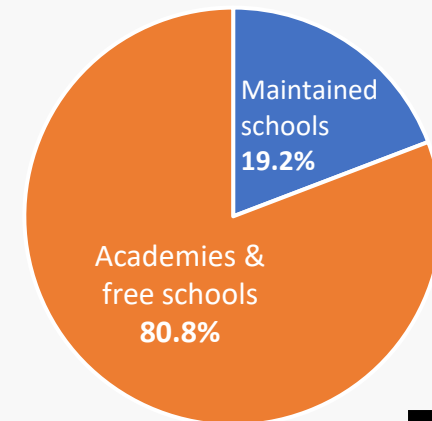
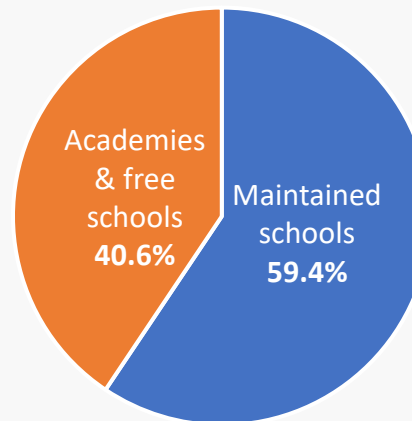
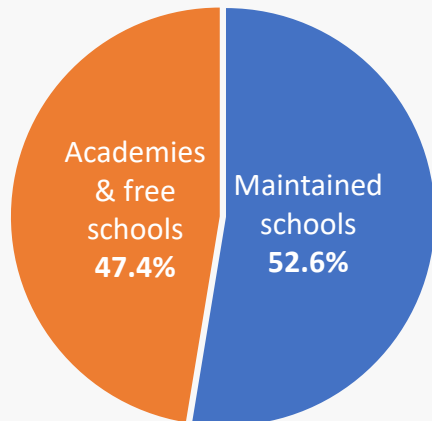


**2024**

Source: DfE,  
March 2024

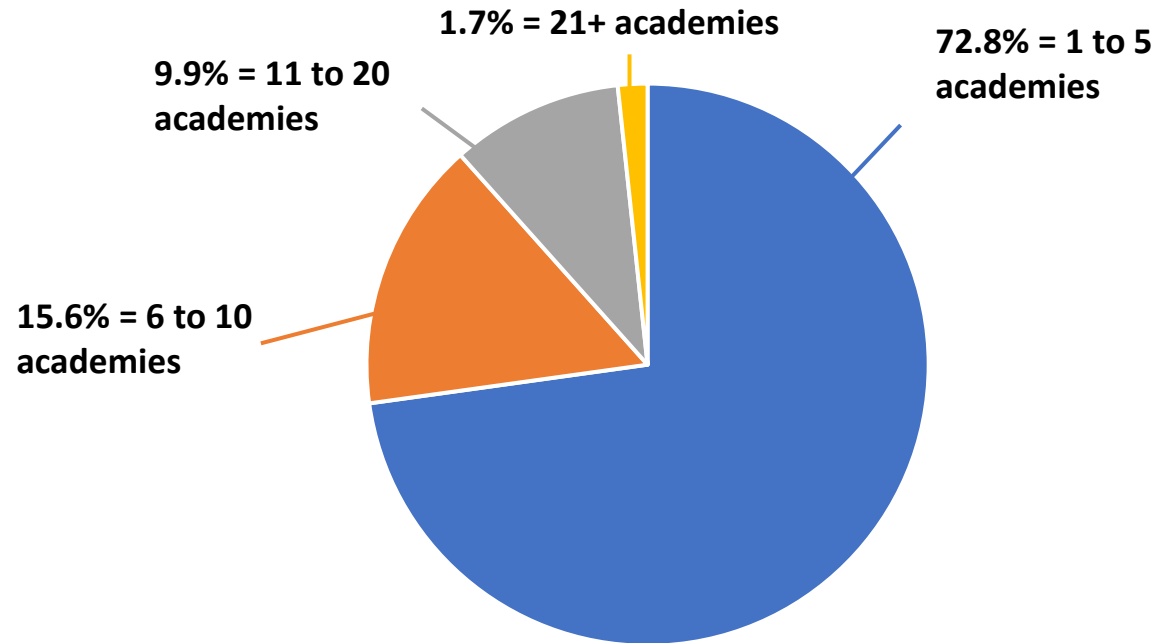
**2023**

Source: DfE,  
March 2023



# Sector update [3/5]

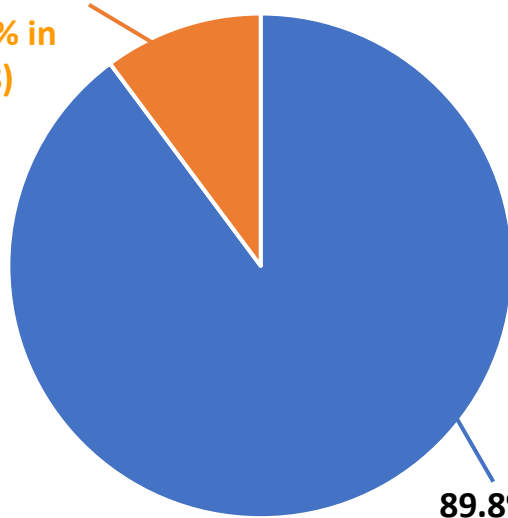
March 2024



# Sector update [4/5]

March 2024

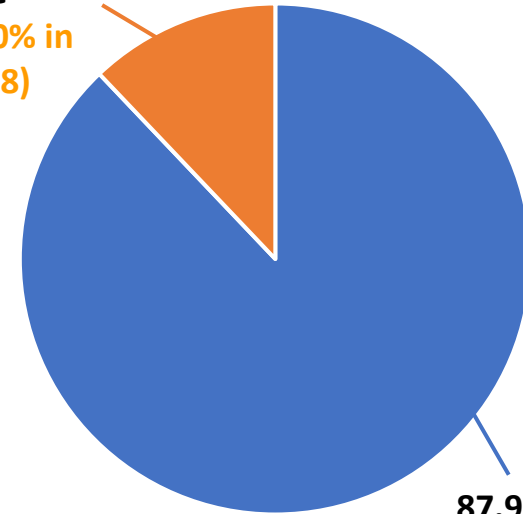
10.2% of academies are standalone  
(Down from 20% in December 2018)



89.8% of academies are in 2+ School Trusts

March 2023

12.1% of academies are standalone  
(Down from 20% in December 2018)

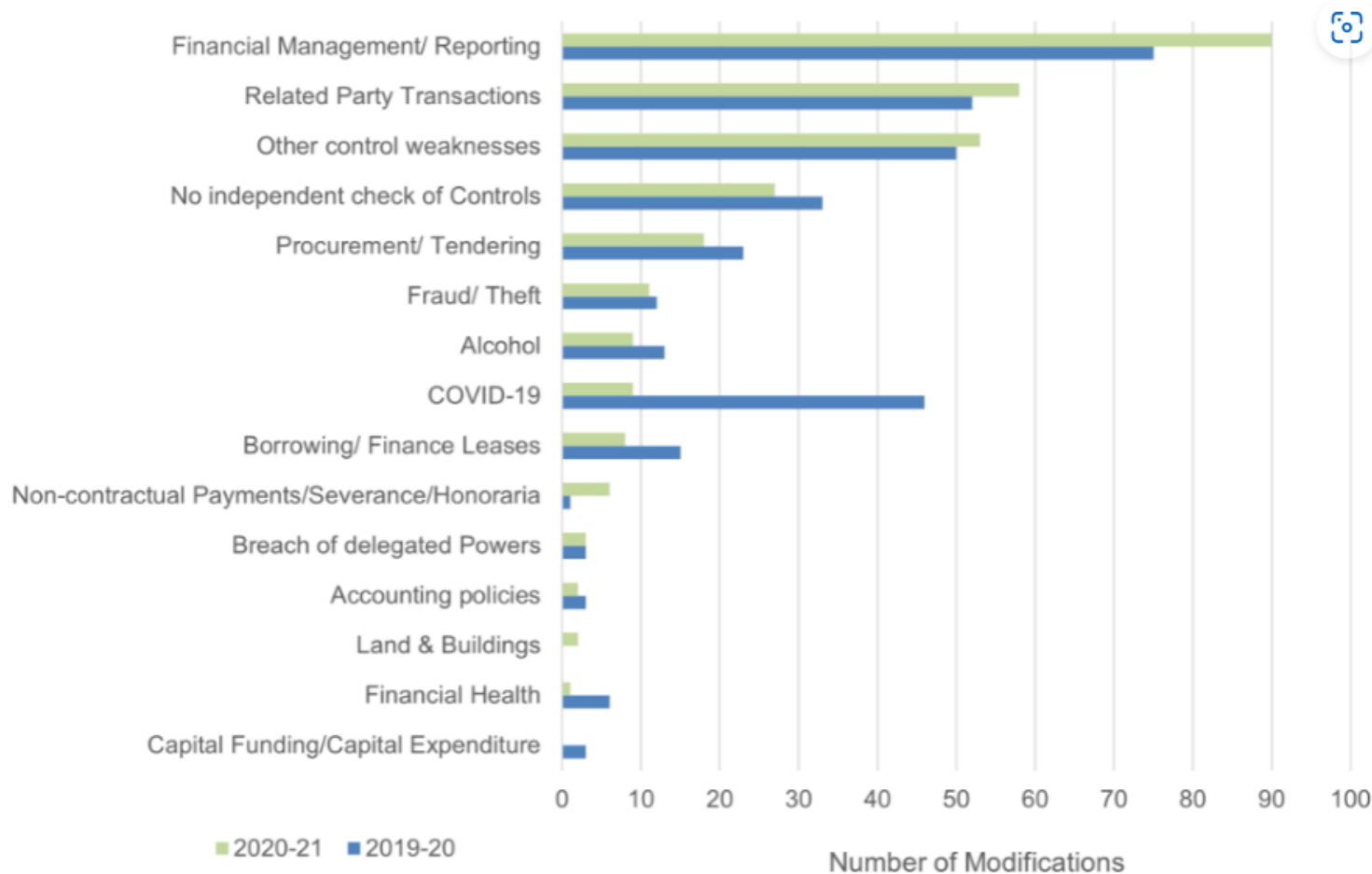


87.9% of academies are in 2+ School Trusts



# Sector update [5/5]

DfE's Assurance work on 21/22 accounts shows common regularity trends:



**/More than  $\frac{3}{4}$  of trusts using reserves now**  
**/62% forecasting 2023/24 deficit**  
**/88% say funding for 2024/25 not enough**  
**/1 in 5 say 2% pay rise not affordable**  
**/Many say their financial situation will be worse in 2024/25**

# Academy Trust Handbook

## / Roles and responsibilities

- Guidance on IT service and Digital Equipment Standards

## / Main financial requirements

- Stronger emphasis on reserves policy requirements
- EV Salary Sacrifice Scheme – ESFA approval requirements

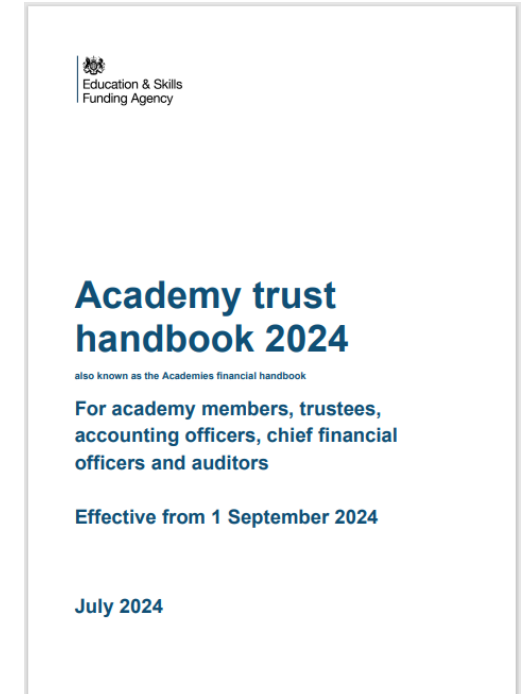
## / Internal Scrutiny – New guidance also available

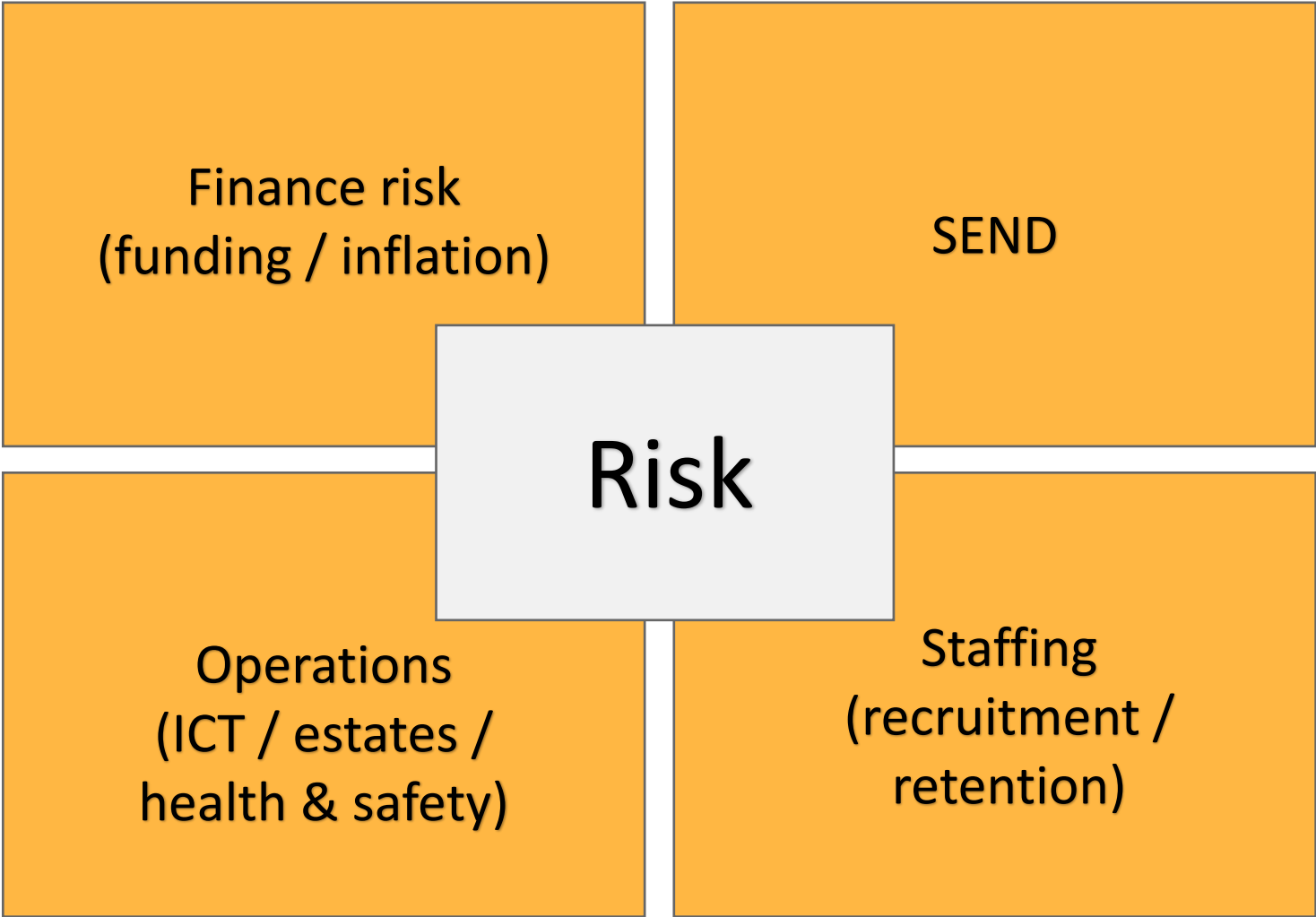
## / Delegated Authorities

- Pre DfE approved Finance Leases list

## / The Regulator and Intervention

- Ntl Scope widening

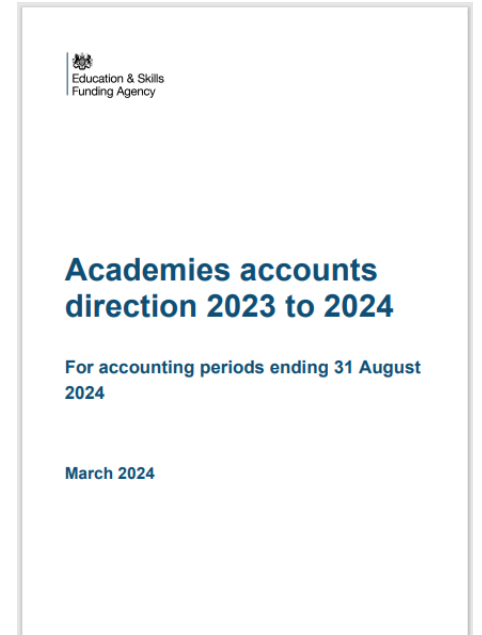




# Academies Accounts Direction

Nothing new this year. However, clarifications are made on:

- / Key Requirements – Appendix 1
- / Effectiveness of Internal Controls Review
- / Statement on Regularity, Propriety & Compliance
- / Model Accounts Disclosures
  - Confirming how 16-19 funding should be disclosed
  - Clarifying that the outstanding balances disclosed in relation to agency arrangements should include unspent fund balances
  - Clarifying that the staff costs note should separately identify 'other employee benefits'
  - Clarifying how an academy trust might determine an appropriate value for the initial recognition of long leasehold premises



*“Things are looking bleak. From speaking to CFOs / Business Managers over the past 6 months, over 80% think they will run out of money by the 25/26 year”*

*Simon Oxenham, Director of Finance at Southend School for Boys, ISBL  
National Lead on school finance and efficiency*

# What should the Accounting Officer do? [1/2]

- / Review management reporting documents
- / Review trustees' / governors' minutes
- / Ensure use of funds is compliant with the funding agreement
- / Review correspondence from ESFA
- / Review school resource management self-assessment checklist
- / Confirm compliance with scheme of delegation & delegated authorities

# What should the Accounting Officer do? [2/2]

- / Evaluate compliance with the 'musts' in the Handbook
- / Consider whether any personal benefit has been derived from transactions
- / Adhere to tendering policies
- / Review work of reporting accountant
- / Review other external sources of assurance



# How we can help you

- / Trustee training
- / Internal scrutiny
- / Annex G audits
- / Due diligence
- / VAT and tax advice (including on subsidiaries)
- / Setting up subsidiary companies
- / Budget forecasting
- / Sustainability consultancy



Any questions?

# Thank you



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