

# Kaleidoscope Learning Trust

(A Company Limited by Guarantee)

**Trustees' Report and Financial Statements**

**For the year ended 31 August 2024**

## Contents

	<b>Page Number</b>
Reference and Administration Details	1 - 2
Trustees' Report	3 – 14
Governance Statement	15 – 18
Statement of Regularity, Propriety and Compliance	19
Statement of Trustees' Responsibilities	20 – 21
Independent Auditor's Report on the Financial Statements	22 – 25
Independent Reporting Accountant's Report on Regularity	26 – 27
Statement of Financial Activities Incorporating Income and Expenditure Account	28
Balance Sheet as at 31 August 2024	29
Statement of Cash Flows	30
Notes to the Accounts	31 – 56

## Reference and Administrative Details For the Year Ended 31 August 2024

<b>Members</b>	D Glenn L Gibson M Taylor J Whiston D Chong (Appointed 6 December 2023)
<b>Trustees</b>	H M Madeley J M Pennington J A Szostek J J E Swaffield (Chair of Trustees) G Shaw (Resigned 31 August 2024) C L Duncan C J Smith K A Jackson
<b>Clerk to the Trustees</b>	M Jones
<b>Senior Leadership Team</b>	M Duval (Chief Executive Officer) (Accounting Officer) R Whyles (Chief Finance Officer) R Newton (Headteacher) S Howarth (Deputy Headteacher)
<b>Company name</b>	Kaleidoscope Learning Trust
<b>Principal and Registered Office</b>	Cloughwood Academy Stones Manor Lane Northwich Cheshire CW8 1NU
<b>Company Registration Number</b>	08604799 (England and Wales)
<b>Independent Auditor</b>	Murray Smith LLP Chartered Accountants Statutory Auditors Darland House 44 Winnington Hill Northwich Cheshire CW8 1AU

**Reference and Administrative Details  
For the Year Ended 31 August 2024**

**Solicitors**

Browne Jacobson  
14<sup>th</sup> Floor  
No1 Spinningfields  
1 Hardman Square  
Manchester  
M3 3EB

**Bankers**

Lloyds Bank  
25 Graham Street  
London  
EC2V 7HN



## **Trustees' Report**

### **For the Year Ended 31 August 2024**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year to 31 August 2024. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out in the notes section of the attached financial statements, and comply with the Charitable Company's memorandum and articles of association, the Companies Act 2006 and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), (SORP 2019).

The Academy Trust operates one special academy in Cheshire West and Chester with 122 pupils on the school census on 5th October 2023, reducing to 121 in September 2024.

### **Structure, Governance and Management**

#### **Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of Kaleidoscope Learning Trust are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served during the period, 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**

The Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Trust also purchased Risk Protection Arrangement offered by the Department for Education, which provides appropriate cover for Trustees' liabilities.

## **Trustees' Report**

### **For the Year Ended 31 August 2024**

#### **Method of Recruitment and Appointment or Election of Trustees**

Trustees are recruited by invitation, dependent upon their expertise, experience and skills. Members may appoint by ordinary resolution up to 4 trustees as referenced in the articles of association (article 50) and are appointed for a term of 4 years.

#### **Policies and Procedures Adopted for the Induction and Training of Trustees**

Trustees are appointed based on the skills that they will bring to the Board.

The training and induction provided for new trustees will depend on their existing experience and is a key process in performance management between members and the Trustee Board. Trustees routinely consider their own training needs, and this is discussed annually with members.

Where necessary, induction will include training on educational, legal and financial matters. All new trustees will be given the opportunity to visit the Academy and have the chance to meet with staff and pupils.

All Trustees are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role. Since there is expected to be only a small number of new Trustees in any one year, induction will be carried out informally and will be tailored specifically to the individual.

#### **Organisational Structure**

The Trustee Board is responsible for setting the strategic vision of the Trust, approving key policies, adopting an annual plan, establishing rules of governance and financial policies and procedures. The Trustee Board has the responsibility of budget setting, monitoring, risk management and internal and external audit functions.

The Trust delegate to its Standards and Outcomes Committee the responsibility for scrutiny and monitoring the performance of the Trust.

The Trustees meet at least termly, with committees also meeting on a termly basis and reporting directly to the Trustee Board. Local Governing Bodies meet termly and if required report to the Finance, Audit and Risk Committee or Trustee Board for approval in relation to non-delegated matters.

## Trustees' Report

### For the Year Ended 31 August 2024

The Executive Leadership, comprising the Chief Executive, Chief Finance Officer and Governance Professional are responsible for implementing the strategic vision and the policies approved by the Trustee Board, and for providing operational and strategic oversight of the day-to-day activities of the Trust.

The Trust has established a strong scheme of delegation and detailed financial procedures and policies to support the governance of the Trust. Roles and responsibilities of Trustees, Local Governing Body members, Trust leaders and Headteachers are clearly defined in the Trust's Scheme of Delegation and Management of Financial Procedures.

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

The Trustee Board is responsible for approving an annual Pay and Performance Policy which determines the arrangements for setting the pay and remuneration of all members of staff within the Trust. The Trustee Board is also directly responsible for setting the pay and remuneration of the Executive Leadership Team via the Advisory Panel on Executive Leaders Performance. The Chief Executive has the delegated oversight for the pay and remuneration of all other members of staff within the Trust, subject to review by the Trustee Board.

Trustees have established a separate Pay and Performance Committee in order to provide additional clarity on this aspect of the Board's work.

#### **Trade Union Facility Time**

Relevant union officials

Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time	No of Employees
0%	1
1% - 50%	0
51% - 99%	0
100%	0

## Trustees' Report

### For the Year Ended 31 August 2024

Percentage of pay bill spent on facility time

	£000's
Total cost of facility time	0
Total pay bill	2,386
Percentage of total pay bill on facility time	0%

Paid trade union activities

Time spent on trade union activities as a percentage of total paid facility time hours	0%
--	----

### Related Parties and other Connected Charities and Organisations

The Trust is linked to a number of organisations through its Trustees and Executive Leaders. The Trust has a transparent process for ensuring these relationships are understood and that transactions are at an arms-length basis.

Details of related parties and transactions are set out in the notes.

### Engagement with employees (including disabled persons)

The Trust is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positive differences in race, gender, sexual orientation, ability, class and age. We promote a curriculum that encourages children to embrace the challenges of creating a happy and successful adult life. We will enable pupils to build knowledge that will allow them to make informed decisions about their wellbeing, health and relationships and to build their self-efficacy. We strive vigorously to remove conditions which place people at a disadvantage, and we actively combat bigotry.

The Trust considers all application forms from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Trust continues. The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees.

The Trust has a focus on engaging with all members of its academy community, including its employees. This is done through both formal and informal exercises throughout the year.

The Trust works with employee trade unions and professional associations across all our academies and engages in consultation, as required, to ensure that all aspects of the Charitable Company affecting its employees, including financial and economic factors, are discussed, conveyed and consulted on with them.

## **Trustees' Report**

### **For the Year Ended 31 August 2024**

#### **Engagement with suppliers, customers and others in a business relationship with the Trust.**

Kaleidoscope Learning Trust recognises that its external partnerships are critical to the success of the Trust. The Trust nurtures positive relationships with key suppliers, ensuring they understand and support the vision, mission and values of the Trust. Whilst always seeking value for money, the Trust seeks to manage risk appropriately and ensure acceptable quality of goods and services, whilst protecting the reputation of the Trust in its business relationships. The Trust's fair and equitable procurement process ensures all suppliers and stakeholders are treated fairly.

#### **Objectives and Activities**

##### **Mission**

Kaleidoscope Learning Trust strives to be a child-centred, inclusive, purposeful, innovative and multi-disciplinary educational community which delivers outstanding learning experiences and life opportunities for every child. Each of our Academies will ensure that its learners receive the best possible start in life to enable them to reach their potential, thrive in the world and lead fulfilled, independent lives.

##### **Shared Values**

Each of our Academies will have its own unique features. However, together, we will promote excellence, innovation, respect and tolerance for all. We will celebrate together the progress, achievements and successes of the whole learning community.

##### **Strategic Priorities**

The Kaleidoscope Learning Trust strategic priorities will steer our growth and development over the next 3 years. These are

1. **High Quality and Inclusive Education** - Create a culture in all academies that is motivating and ambitious for all, including disadvantaged children and children with SEND, so that students can achieve their full potential, regardless of the barriers they face.
2. **School Improvement** – Establish a culture of continuous improvement in our schools through self-evaluation, challenge, support and appropriate action.
3. **Workforce** – Create a high-performing working culture for all staff that promotes collaboration, aspiration and support. Using the flexibility of the trust to create opportunities for staff to develop professionally. Recognise the critical value of high-quality teaching and champion the profession.

## Trustees' Report

### For the Year Ended 31 August 2024

4. **Finance and Operations (including Growth)** – Recognise the importance of effective and efficient use of resources for the benefit of all schools in the trust and the wider education system.
5. **Governance and Leadership** – The Board of Trustees and Executive Leadership Team anchor the Trust's strategy in the needs of its academies, the communities we serve, and the wider educational system in accordance with the charitable objects. The Accounting Officer, Trustee Board and leadership team uphold a culture of ethical leadership, underpinned by the Seven Principles of Public Life.

#### Public Benefit

The Trustees confirm that they have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The key public benefit delivered by the Trust is the provision of high-quality education to the students. The Trust seeks to provide the cultural, physical, spiritual, as well as academic development of students.

Cloughwood Academy is also used as a resource by the local community groups.

#### Strategic Report

Kaleidoscope Learning Trust (KLT) is a single academy Multi-Academy Trust (MAT). KLT continues to be a highly ambitious outward facing MAT that is currently seeking other schools and academies to join us on our journey of growth. We wish to work in partnership with those who share the KLT goals of excellence, innovation, respect and tolerance for all.

Our updated Strategic Plan reflects our commitment to future growth and to helping children and young people achieve the best possible outcomes, regardless of their background or starting point. We are particularly interested in Special Educational Needs, with a particular emphasis on ensuring our pupils are well-prepared for successfully integrating into the world of work and life beyond school. In the pursuit of excellence, we will continue to embed the values of the Trust in the core of our curriculum and expect our schools to be beacons for educational best practice, offering rich learning environments in which creativity and personal development thrive.

Our founding school, Cloughwood Academy, is a day and residential provision for pupils with Social, Emotional and Mental Health (SEMH) difficulties and other complex needs

<https://www.cloughwoodacademy.co.uk/>

## **Trustees' Report**

### **For the Year Ended 31 August 2024**

#### **School Improvement**

The School Improvement Journey at Kaleidoscope Learning Trust has continued to grow this academic year. The Trust works with a team of external School Improvement Partners with significant experience in school leadership. The SIP team works alongside school leaders and the Quality of Education Team to work with staff at all levels to improve their teaching, coaching and leadership skills.

The Trust is proud of the strong collaboration of senior and middle leaders working across Cloughwood Academy developing and refining the curriculum to meet the needs of the pupils. The curriculum is well-sequenced, coherent and ambitious for all pupils.

Staff across the Trust are complimentary about the Trust's approach to appraisal. The process is centred around each individual's aspirations for their career and encourages open and honest discussions about professional development. The positive approach to professional development is having demonstrable impact on both the quality of teaching and the ongoing development of leadership capacity.

#### **Ofsted Inspections**

Cloughwood Academy remains outstanding following its judgement in September 2021. The Academy's residential provision received a further Outstanding rating in February of 2024.

In the Ofsted Inspection of Education, inspectors wrote:

'Pupils thrive, socially, emotionally and academically at Cloughwood Academy. They access a rich and exciting set of experiences which go beyond the academic curriculum. Pupils thoroughly enjoy outdoor activities such as water sports, cycling and camping. Pupils' eyes are opened to new ideas and their imaginations are sparked by possibilities through a wide range of cultural experiences. All pupils enjoy a wide range of after-school clubs and enrichment events. This encourages pupils to immerse themselves in the arts, sports, games and languages.'

Pupils are happy and safe in school. Staff and pupils enjoy each other's company and always have lunch together. The trusting and supportive relationships between pupils and staff are evident across the school. Pupils behave very well.'

## **Trustees' Report**

### **For the Year Ended 31 August 2024**

In the Ofsted Inspection of Residential Provision, inspectors wrote:

‘Children’s life opportunities are enhanced because of their residential experiences. The provision of activities on and off the school site is excellent. Children are supported to experience lots of different activities to develop their independence and their interests.’

One parent was quoted ‘The school has helped transform my son into the happy little boy that he used to be. He has thrived since being there. The emotional and well-being support is of a high standard. The residential team is brilliant. The staff go above and beyond.’

To read the full reports please visit the link below

<https://www.cloughwoodacademy.co.uk/ofsted-reports/>

#### **Key Performance Indicators**

The Trust Board and Local Governing Bodies regularly receive reports and review progress against key performance indicators in a number of areas including:

- Progress and outcomes
- Teaching & Learning quality
- Student Behaviour and Development, Welfare, Safeguarding & Attendance
- Governance
- Finance

Trustees are then able to identify areas of strength and areas needing improvement, which then influence the Trust’s future strategic priorities.

#### **Going Concern**

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

## **Trustees' Report**

### **For the Year Ended 31 August 2024**

#### **Promoting the success of the company**

Trustees have a duty to promote the success of the Trust to achieve its charitable purposes and in doing so, are required by Section 172 of the Companies Act 2006 to have regard to the following:

- The likely consequences of any decision in the long term – all decisions are taken with a view of maintaining or improving the long term educational, operational and financial performance of the Trust.
- The interests of the Trust employees.
- The need to foster the Trust's business relationships with suppliers, customers and others.
- The impact of the Trust's operations on the community and environment – The Trust is committed to developing strong community relationships whilst also considering the environmental impact of its operations with the aim of reducing impact to an absolute minimum.
- The desirability of the Trust maintaining a reputation for high standards of business conduct – A key value of the Trust is integrity, which is key to decision making in order to protect the Trust's reputation and ensuring high standards of business conduct.
- The need to act fairly as between members of the company.

#### **Financial Review**

The principal financial management policies adopted in the year are as laid down by the Academies Financial Handbook published by the ESFA. The Trust's financial position is monitored by regular reviews of income and expenditure versus planned budgets at Finance and Audit committee meetings.

The principal sources of funding are: High Needs and Grant Income from the ESFA; High Needs top-up funding from the placing authorities (predominantly Cheshire West and Chester); Residential funding from Cheshire West and Chester.

Expenditure on staffing costs and premises improvements has fully supported the Trust's objectives.

In the year ended 31 August 2024 the Trust received total income of £3,635,862 (2023 £3,133,619) resulting in a surplus of £345,411 (2023 £133,397) before non cash charges in respect of the Local Government Pension Scheme. The operating surplus after the pension charge was £307,411 (2023 deficit £92,397).

The total reserves at 31 August 2024 before the Local Government Pension Scheme liability were £6,377,332 (2023 £6,107,921). Excluding the restricted fixed asset fund and the pension scheme asset the reserves were £1,646,144 (2023 £1,278,474).

## **Trustees' Report**

### **For the Year Ended 31 August 2024**

#### **Reserves Policy**

The policy of the Trust is to carry forward a prudent level of resources designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies. All academies are to ensure that they hold back at least 2 months operational expenditure as ringfenced reserves to deal with unexpected or emergency expenditure. Academies can also carry forward a level of free reserves for the purposes of capital investment and school improvement subject to compliance with the scheme of financial delegation.

The Trust believes this level of reserves is appropriate, given the instability regarding future funding and funding cuts at local level to High Needs funding. Central reserves are to be held for the purposes of central costs and to enable the Trust to run projects and interventions across its academies. Free reserves can be utilised for continuous improvements and for the repair and replacement of educational equipment and materials. Free reserves may also be allocated to the repair, replacement and upgrading of the Academy's buildings, vehicles, ICT, equipment and contents, subject to necessary authorisation from the Trust.

A strategic capital plan has been prepared and reviewed by the trustees in order that reserves can be prioritised and spent according to the needs to the Academy.

#### **Investment Policy**

The Trust is firmly committed to ensuring that all funds under its control are administered in such a way as to maximise return while minimising risk. Trustees do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of funds.

Trustees' management of cashflow should ensure that there are always sufficient funds in the main bank accounts to cover operational costs. The Trust will seek to ensure that any cash not required for operating expenses is placed on deposit at a most favourable rate.

Where significant funds have been accumulated that are not required in the short term for operational expenses, or as part of a planned surplus for a specific project, Trustees may consider the investment of these funds in order to generate a longer-term income or capital fund.

## **Trustees' Report**

### **For the Year Ended 31 August 2024**

#### **Principal Risks and Uncertainties**

The Trustees have assessed the major risks to which the charitable company is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Trust, and its finances. The Trustees have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, safeguarding and minimising financial risks).

The Trust operates a Risk Management Policy. The Executive Leadership Team undertakes a comprehensive review of the risks which the Trust is exposed to. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the Trust. Internal controls are then implemented to mitigate against those risks. In addition to the annual review of risks, the Executive Leadership Team also consider any risk which may arise as a result of any new area of work undertaken by the Trust.

A Risk Register is maintained at Trust level which is reviewed at least annually by the full Trust Board and more frequently by the Finance, Audit and Risk Committee and Executive Leadership Team. The Risk Register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Trust and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

The Trustees confirm that the major risks to which the Trust is exposed have been reviewed and are satisfied that systems and procedures are in place to mitigate the exposure to major risks.

#### **Fundraising**

The majority of the Academy Trust's charitable income is received from the Education Skills Funding Agency under the terms of a master funding agreement between the Secretary of State for Education and the Trustees of Kaleidoscope Learning Trust.

The Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. All fundraising is undertaken at individual school level and any funds raised remain within the school, unless specifically raised for a charitable donation.

In circumstances where fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Level. Recognised standards are applied to ensure that fundraising is open, honest and

## **Trustees' Report**

### **For the Year Ended 31 August 2024**

respectful, protecting the public from undue pressure to donate. The Trust does not usually work with professional fundraisers or companies that carry out fundraising on its behalf.

#### **Plans for Future Periods**

The main objectives for the coming year are

- Delivering the Trust's Strategic Plan 2024-2027 which is available on the Trust website.
- To support the pupils through the ongoing recovery from Covid-19, ensuring they get the support they need to recover any gaps in learning.
- To continue to develop the support from the central team, ensuring the impact on school improvement is demonstratable.
- To embed a professional development programme, which will support staff at all levels of their career.
- To support the wellbeing of staff and pupils.

#### **Funds Held as Custodian Trustee on Behalf of Others**

Kaleidoscope Learning Trust and its Trustees do not act as third-party custodial trustees.

#### **Auditor**

Insofar as trustees are aware:

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

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 4 December 2024 and signed on the Board's behalf by:

**J J E Swaffield**  
**Chair**

## **Governance Statement**

### **For the Year Ended 31 August 2024**

#### **Scope of Responsibility**

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

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 are in accordance with the requirements and responsibilities assigned to the Academy Trust in the funding agreement between Kaleidoscope Learning Trust and the Secretary of State for Education. The Executive Principal 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 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings Attended	Out of a Possible
C Duncan	4	5
K Jackson	5	5
H Madeley	5	5
J Pennington	3	5
G Shaw	4	5
C Smith	5	5
J Swaffield	5	5
J Szostek	5	5

The Trust manages potential conflicts of interests by ensuring that all Trustees complete Declarations of Business and Pecuniary Interest Forms annually and at every meeting all attendees get the chance to declare any potential conflicts of interest.

#### **Review of Governance**

During 2023/24 the Trustee Board commissioned the National Governance Association to conduct an external review of governance. The Trustee Board commissioned the review to consider the effectiveness of its practice and to ensure its governance structure can scale in line with the trust growth strategy.

## Governance Statement

### For the Year Ended 31 August 2024

The NGA made the following recommendations

- Review the governance structure with a view to separating the layers of governance.
- Review the Scheme of Delegation to ensure mission, vision and values are covered, remove any shared responsibilities and clarify the governance of audit and risk.

The Trust will continue to ensure that self-evaluation and review remains part of its annual governance cycle, with an external review being conducted every three years.

The Finance, Audit and Risk Committee is a committee of the main Board of Trustees. Its purpose is to assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the Academy's financial and operational resources, including proper planning, monitoring and probity. This Committee's attendance was as follows:

<b>Trustee</b>	<b>Meetings Attended</b>	<b>Out of a possible</b>
H M Madeley (Observer)	3	4
J M Pennington	3	4
C Smith	4	4
J A Szostek	4	4
JJE Swaffield	4	4

The Standards and Outcomes Committee: The Purpose of the Committee; to review and evaluate learning and teaching, student achievement, SEND provision and standards.

<b>Trustee</b>	<b>Meetings Attended</b>	<b>Out of a possible</b>
C Duncan	3	3
K Jackson	2	3
H M Madeley	3	3
G Shaw	3	3

### Review of Value for Money

As Accounting Officer, the Chief Executive Officer 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.

## **Governance Statement For the Year Ended 31 August 2024**

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

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kaleidoscope Learning Trust for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period from 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### **The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks

## **Governance Statement For the Year Ended 31 August 2024**

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Haines Watts to carry out the internal scrutiny function.

The reviewer's role includes an audit of compliance, systems and controls within the Trust.

On a termly basis, the reviewer reports to the Board of Trustees through the Finance & Audit Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

### **Review of Effectiveness**

As accounting officer, the Chief Executive Officer 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 tool; and
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and a plan to ensure continuous improvement of the system is in place.

### **Conclusion**

Based on the advice of the Finance & Audit Committee and the Accounting Officer, the Board of Trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees on 4 December 2024 and signed on its behalf by:

**J J E Swaffield**  
**Chair of Trustees**

**M Duval**  
**Accounting Officer**

## **Statement of Regularity, Propriety and Compliance For the Year Ended 31 August 2024**

As Accounting Officer of Kaleidoscope Learning Trust, I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

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

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

**M Duval**  
**Accounting Officer**  
**4 December 2024**

## **Statement of Trustees' Responsibilities For the Year Ended 31 August 2024**

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 2023 to 2024
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

**Statement of Trustees' Responsibilities  
For the Year Ended 31 August 2024**

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 4 December 2024 and signed on its behalf by:

**J J E Swaffield  
Chair of Trustees**

## **Independent Auditor’s Report on the Financial Statements to the Members of Kaleidoscope Learning Trust**

### **Opinion**

We have audited the financial statements of Kaleidoscope Learning Trust for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, 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), and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the period 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 Academies Accounts Direction 2023 to 2024.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 Trust’s 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 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.

## **Independent Auditor’s Report on the Financial Statements to the Members of Kaleidoscope Learning Trust**

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

### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees’ Report, but does not include the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

In the light of 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.

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

- proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- all the information and explanations required for the audit were not received.

## **Independent Auditor’s Report on the Financial Statements to the Members of Kaleidoscope Learning Trust**

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees’ Responsibilities set out in the Trustee’s annual report, 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 Board of Trustees determines 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 Board of Trustees is 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 Board of Trustees either intends to liquidate the Academy Trust or to cease operations, or has no realistic alternative but to do so.

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

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

The audit procedures designed to identify irregularities included:

- enquiry of management and those charged with governance around actual and potential litigation and claims
- enquiry of Academy Trust staff with responsibilities for compliance matters to identify any instances of non-compliance with laws and regulations
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations

## **Independent Auditor’s Report on the Financial Statements to the Members of Kaleidoscope Learning Trust**

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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, intentional misrepresentations or through collusion.

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

### **Use of our report**

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

Michael Benson (Senior Statutory Auditor)  
For and on behalf of Murray Smith LLP  
Chartered Accountants  
Statutory Auditors  
Darland House  
44 Winnington Hill  
Northwich  
Cheshire  
CW8 1AU

**Date: 4 December 2024**

## **Independent Reporting Accountant’s Assurance Report on Regularity to Kaleidoscope Learning Trust and the Education and Skills Funding Agency**

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

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

### **Respective responsibilities of Kaleidoscope Learning Trust’s accounting officer and the reporting accountant**

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

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

### **Approach**

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

## **Independent Reporting Accountant’s Assurance Report on Regularity to Kaleidoscope Learning Trust and the Education and Skills Funding Agency**

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

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

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

The work undertaken to draw to our conclusion includes:

- review of arrangements in place over financial management; and
- review of the Trust’s expenditure during the year.

### **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 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Murray Smith LLP**

**4 December 2024**

Chartered Accountants and Statutory Auditors  
Darland House  
44 Winnington Hill  
Northwich  
Cheshire CW8 1AU

**Statement of Financial Activities for the year ended 31 August 2024**

	Note	Unrestricted Funds £	Restricted General funds £	Restricted Fixed Asset Funds £	Total 2024 £	Total 2023 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	300	-	10,075	10,375	90,931
Charitable activities:						
Funding for the Academy Trust's educational activities	3	-	3,246,965	-	3,246,965	2,715,909
Boarding activities		-	285,311	-	285,311	285,310
Other trading activities	4	80,914	-	-	80,914	37,824
Investments	5	12,297	-	-	12,297	3,645
<b>Total income</b>		<b>93,511</b>	<b>3,532,276</b>	<b>10,075</b>	<b>3,635,862</b>	<b>3,133,619</b>
<b>Expenditure on:</b>						
Raising funds	6	4,498	-	-	4,498	4,126
Charitable activities:						
Academy Trust educational operations	7	-	2,922,603	108,334	3,030,937	2,784,407
Provision of boarding activities	7	-	293,016	-	293,016	252,689
Other						-
<b>Total expenditure</b>		<b>4,498</b>	<b>3,215,619</b>	<b>108,334</b>	<b>3,328,451</b>	<b>3,041,222</b>
<b>Net income / (expenditure)</b>		<b>89,013</b>	<b>316,657</b>	<b>(98,259)</b>	<b>307,411</b>	<b>92,397</b>
<b>Transfers between funds</b>	14	-	-	-	-	-
<b>Other recognised gains / (losses):</b>						
Actuarial gains / (losses) on defined benefit pension schemes	24	-	(345,000)	-	(345,000)	452,000
<b>Net movement in funds</b>		<b>89,013</b>	<b>(28,343)</b>	<b>(98,259)</b>	<b>(37,589)</b>	<b>544,397</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		230,874	1,354,600	4,829,447	6,414,921	5,870,524
<b>Total funds carried forward</b>		<b>319,887</b>	<b>1,326,257</b>	<b>4,731,188</b>	<b>6,377,332</b>	<b>6,414,921</b>

**Balance Sheet as at 31 August 2024**

	Notes	31 August 2024 £	31 August 2023 £
<b>Fixed assets</b>			
Tangible fixed assets	11	5,546,172	5,509,266
<b>Current assets</b>			
Debtors	12	169,904	128,597
Cash at bank and in hand		768,896	1,173,138
		<b>938,800</b>	<b>1,301,735</b>
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	13	(107,640)	(703,080)
<b>Net current assets</b>		<b>831,160</b>	<b>598,655</b>
<b>Total assets less current liabilities</b>		<b>6,377,332</b>	<b>6,107,921</b>
Creditors – amounts falling due after more than one year		-	-
<b>Net assets excluding pension asset / liability</b>		<b>6,377,332</b>	<b>6,107,921</b>
Defined benefit pension scheme asset / (liability)	24	-	307,000
<b>Total net assets</b>		<b>6,377,332</b>	<b>6,414,921</b>
<b>Funds of the Academy Trust:</b>			
<b>Restricted funds</b>			
Fixed asset fund	14	4,731,188	4,829,447
Restricted income fund	14	1,326,257	1,047,600
Pension reserve	14	-	307,000
<b>Total restricted funds</b>		<b>6,057,445</b>	<b>6,184,047</b>
<b>Unrestricted income funds</b>	14	319,887	230,874
<b>Total funds</b>		<b>6,377,332</b>	<b>6,414,921</b>

The financial statements on pages 28 to 56 were approved by the trustees and authorised for issue on 4 December 2024 and are signed on their behalf by:

**J J E Swaffield**  
Chair

**M Duval**  
Accounting Officer

**Statement of Cash Flows for the year ended 31 August 2024**

	<b>Note</b>	<b>Year ended 31 August 2024 £</b>	<b>Year ended 31 August 2023 £</b>
<b>Cash flow from operating activities</b>			
Net cash provided by (used in) operating activities	18	(235,931)	896,611
<b>Cash flows from investing activities</b>			
Cash flows from investing activities	20	(168,311)	(74,976)
<b>Cash flows from financing activities</b>			
Cash flows from financing activities	19	-	-
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(404,242)</b>	<b>821,635</b>
<b>Cash and cash equivalents at 1 September 2023</b>		<b>1,173,138</b>	<b>351,503</b>
<b>Cash and cash equivalents at 31 August 2024</b>	<b>21</b>	<b>768,896</b>	<b>1,173,138</b>

## **Notes to the accounts**

### **For the Year Ended 31 August 2024**

#### **1. Accounting policies**

Kaleidoscope Learning Trust is a charitable company, incorporated in England and Wales. The address of the 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.

#### **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 accounts 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 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### **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 Trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that Kaleidoscope Learning 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 adopt the going concern basis of accounting in preparing the financial statements.

#### **Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention as modified by the use of previous valuations as deemed cost at transition for certain non-current assets.

#### **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.

## **Notes to the accounts**

### **For the Year Ended 31 August 2024**

#### **1. Accounting policies (continued)**

##### **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 (GAG) is recognised in full in the Consolidated Statement of Financial Activities in the period for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised 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.

##### **Sponsorship Income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

##### **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.

##### **Investment Income**

All income from short term deposit accounts is credited to the Statement of Financial Activities in the period in which it is earned on a receivable basis.

##### **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.

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 1. Accounting policies (continued)

##### **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 (excluding Transfers on conversion/into the Academy Trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be 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.

#### **Expenditure**

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

These are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 1. Accounting policies (continued)

All resources expended are inclusive of irrecoverable VAT.

#### Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long-term leasehold land	– 125 years
Long-term leasehold buildings	– 50 years
Building improvements	– 50 years
Fixtures and fittings	– 5 years
Computer equipment	– 3 years
Motor vehicles	– 7 years

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

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

## **Notes to the accounts**

### **For the Year Ended 31 August 2024**

#### **1. Accounting policies (continued)**

##### *Subsequent expenditure on existing fixed assets*

Where significant expenditure is incurred on tangible fixed assets after initial purchase it is charged to the statement of financial activities in the period it is incurred unless it increases the future benefits to the Trust, in which case it is capitalised and depreciated on the relevant basis.

#### **Cash and cash equivalents**

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. An investment qualifies as a cash equivalent when it has a maturity of 3 months or less from the date of acquisition.

#### **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 advance payments for the goods or services it must provide.

#### **Provisions**

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

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

#### **Short term employment benefits**

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the Academy Trust. Any unused benefits are accrued and measured as the additional amount the Academy Trust expects to pay as a result of the unused entitlement.

## **Notes to the accounts**

### **For the Year Ended 31 August 2024**

#### **1. Accounting policies (continued)**

##### **Leased Assets**

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

##### **Financial Instruments**

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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.

##### **Taxation**

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

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

##### **Pensions Benefits**

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

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

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 1. Accounting policies (continued)

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/(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.

#### Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency (ESFA).

#### Critical accounting estimates and areas of judgement

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

#### *Critical accounting estimates and assumptions*

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

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 1. Accounting policies (continued)

##### Depreciation of fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

##### Valuation of the Local Government Pension Scheme defined benefit asset/liability

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension asset/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 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset/liability.

The actuaries have once again reported a pension surplus as at the year end. This year the Trust commissioned an additional report containing an asset ceiling calculation which concluded that the asset would not result in a reduction in the future pension contributions. Under FRS 102 a pension asset should only be recognised if it is expected to result in a refund or a reduction in future contributions. Whilst the asset ceiling calculation depends on a variety of assumptions and therefore contains inherent uncertainties, the Trust has decided to reduce the pension asset to nil to reflect the result.

##### Critical areas of judgement

##### Leasehold land and buildings

The long term leasehold land and buildings within the accounts relates to the Academy premises which were donated to the Academy Trust on conversion on a 125 year lease from Cheshire West and Chester Council. The leasehold land and buildings were valued using the ESFA valuation. No annual charge is being made for the use of the land and buildings (except for depreciation) under the term of the lease as management are not able to reliably measure the open market value.

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 2. Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Capital grants	-	10,075	10,075	89,671
Other donations	300	-	300	1,260
<b>Total</b>	<b>300</b>	<b>10,075</b>	<b>10,375</b>	<b>90,931</b>

#### 3. Funding for the Academy Trust's educational operations

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
<b>DfE / ESFA grants</b>				
General Annual Grant (GAG)	-	1,100,000	1,100,000	900,927
Other DfE/ESFA grants				
Pupil Premium	-	78,328	78,328	72,292
Teacher Pay and Pension Grant	-	226,662	226,662	135,189
Others	-	178,247	178,247	88,478
Other DfE Group grants	-	-	-	-
<b>Other Government grants</b>				
Local authority grants	-	1,663,728	1,663,728	1,519,023
Other income from the Academy Trust's educational operations	-	-	-	-
	<b>-</b>	<b>3,246,965</b>	<b>3,246,965</b>	<b>2,715,909</b>

#### 4. Other trading activities

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Hire of facilities	21,167	-	21,167	12,987
Income from other charitable activities	-	-	-	-
Income from ancillary trading activities	59,747	-	59,747	24,837
<b>Total</b>	<b>80,914</b>	<b>-</b>	<b>80,914</b>	<b>37,824</b>

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 5. Investment income

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Short term deposits - interest	12,297	-	12,297	3,645
<b>Total</b>	<b>12,297</b>	<b>-</b>	<b>12,297</b>	<b>3,645</b>

#### 6. Expenditure

	Staff Costs £	Premises £	Other £	2024 Total £	2023 Total £
<i>Expenditure on raising funds:</i>					
Direct costs	-	-	4,498	4,498	4,126
Allocated support costs	-	-	-	-	-
<i>Academy Trust's educational operations:</i>					
Direct costs	1,733,889	-	228,912	1,962,801	1,915,762
Allocated support costs	462,445	235,025	370,666	1,068,136	868,645
<i>Provision of boarding activities:</i>					
Direct costs	237,596	-	-	237,596	197,350
Allocated support costs	-	28,850	26,570	55,420	55,339
<b>Total</b>	<b>2,433,930</b>	<b>263,875</b>	<b>630,646</b>	<b>3,328,451</b>	<b>3,041,222</b>

Net expenditure for the period includes:

	2024 £	2023 £
Operating leases	20,696	20,465
Depreciation	153,777	141,063
Fees payable to external auditor for:		
-audit	5,900	4,536
-other services	3,800	2,500
Internal audit services	4,070	1,575

**Notes to the accounts**  
**For the Year Ended 31 August 2024**

**7. Charitable Activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Direct costs – educational operations	1,962,801	1,915,762
Direct costs – provision of boarding activities	237,596	197,350
Support costs – educational operations	1,068,136	868,645
Support costs – provision of boarding activities	55,420	55,339
	<b>3,323,953</b>	<b>3,037,096</b>

**Analysis of support costs**

	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>
	<b>Educational</b>	<b>Provision of</b>	<b>Total</b>	<b>Total</b>
	<b>Operations</b>	<b>boarding</b>	<b>£</b>	<b>£</b>
	<b>£</b>	<b>activities</b>		
		<b>£</b>		
Support staff costs	462,445	-	462,445	368,087
Depreciation	153,777	-	153,777	116,556
Technology costs	40,789	-	40,789	15,397
Premises costs	235,025	28,850	263,875	215,939
Legal costs - other	1,562	-	1,562	-
Other support costs	160,721	26,570	187,291	198,646
Governance costs	13,817	-	13,817	9,359
<b>Total support costs</b>	<b>1,068,136</b>	<b>55,420</b>	<b>1,123,556</b>	<b>923,984</b>

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 8. Staff

##### *a. Staff costs and employee benefits*

Staff costs during the period were:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,838,416	1,668,518
Social security costs	183,523	166,094
Pension costs	364,215	372,932
Other employee benefits	-	-
	<b>2,386,154</b>	<b>2,207,544</b>
Agency staff costs	47,776	51,403
Staff restructuring costs	-	24,351
<b>Total staff costs</b>	<b>2,433,930</b>	<b>2,283,298</b>
Staff restructure costs comprise:		
Redundancy payments	-	-
Severance payments	-	24,351
	-	24,351

##### *b. Staff numbers*

The average number of persons employed by the Academy Trust during the period was:

	<b>2024</b>	<b>2023</b>
	<b>No</b>	<b>No</b>
Teachers	16	19
Administration and support	31	26
Management	8	6
	<b>55</b>	<b>51</b>

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 8. Staff (continued)

##### *c. Higher paid staff*

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

	<b>2024</b>	<b>2023</b>
	<b>No</b>	<b>No</b>
£60,001 to £70,000	-	2
£70,001 to £80,000	1	1
£80,001 to £90,000	1	-
£90,001 to £100,000	1	-
£110,001 to £120,000	-	1

##### **d. Key management personnel**

Key management personnel of the Academy Trust comprise the trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £414,584 (2023: £513,399).

#### 9. Related party transactions – Trustees’ remuneration and expenses

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

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

#### 10. Trustees and Officers’ Insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides unlimited cover on any one claim and forms part of a commercial combined policy. Because the policy combines a number of different insurances the cost for the Trustees’ and Officers’ liability cover is not separately identifiable and is included in the total insurance cost.

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 11. Tangible fixed assets

	Long leasehold	Improvements to property	Plant and Equipment	Total
Cost or valuation	£	£	£	£
At 1 September 2023	4,955,593	1,488,689	189,978	6,634,260
Additions	-	140,592	50,091	190,683
Disposals	-	-	-	-
<b>At 31 August 2024</b>	<b>4,955,593</b>	<b>1,629,281</b>	<b>240,069</b>	<b>6,824,943</b>
<b>Depreciation</b>				
At 1 September 2023	870,880	138,846	115,268	1,124,994
Charge for period	87,088	31,431	35,258	153,777
Eliminated in respect of disposals	-	-	-	-
<b>At 31 August 2024</b>	<b>957,968</b>	<b>170,277</b>	<b>150,526</b>	<b>1,278,771</b>
Net book value at 31 August 2023	4,084,713	1,349,843	74,710	5,509,266
<b>Net book value at 31 August 2024</b>	<b>3,997,625</b>	<b>1,459,004</b>	<b>89,543</b>	<b>5,546,172</b>

Cloughwood Academy occupies its land and buildings under the terms of a 125-year lease from Cheshire West and Chester Borough Council effective from 30 August 2013. Legal title in the lease was transferred to Kaleidoscope Learning Trust on 24 September 2013. Under the terms of the leases the Academy Trust is fully responsible for the maintenance, insurance and general upkeep of the land and buildings. As a result, the Academy Trust has determined that the most appropriate accounting treatment is to recognise the substance of the transaction rather than the legal form and capitalise the land and building assets in the Academy Trust's accounts.

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 12. Debtors

Amounts falling due within one year:	2024	2023
	£	£
Trade debtors	688	52,045
Other debtors	167	167
VAT recoverable	31,414	27,456
Prepayments and accrued income	137,635	48,929
	<b>169,904</b>	<b>128,597</b>

#### 13. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	-	-
Other taxation and social security	68,560	67,102
Accruals and deferred income	39,080	635,978
	<b>107,640</b>	<b>703,080</b>

	2024	2023
	£	£
Deferred income at 31 August 2023	608,224	-
Released from previous years	(608,224)	-
Resources deferred in year	412	608,224
<b>Deferred income at 31 August 2024</b>	<b>412</b>	<b>608,224</b>

At the balance sheet date the Academy Trust was holding the following funds received in advance:

	2024	2023
	£	£
Lettings	412	-
CWAC SEN Term 1	-	608,224
	<b>412</b>	<b>608,224</b>

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 14. Funds

	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)	917,300	1,100,000	(813,638)	-	1,203,662
Other Grants	-	2,146,965	(2,146,965)	-	-
Other income	-	-	-	-	-
Provision for boarding	130,300	285,311	(293,016)	-	122,595
Pension Reserve	307,000	-	38,000	(345,000)	-
	<b>1,354,600</b>	<b>3,532,276</b>	<b>(3,215,619)</b>	<b>(345,000)</b>	<b>1,326,257</b>
<b>Restricted Fixed Asset Funds</b>					
Transfer on conversion	4,084,714	-	(87,088)	-	3,997,626
DfE Group capital grants	243,164	10,075	-	-	253,239
Other capital grants	-	-	-	-	-
Capital expenditure from GAG	501,569	-	(21,246)	-	480,323
	<b>4,829,447</b>	<b>10,075</b>	<b>(108,334)</b>	<b>-</b>	<b>4,731,188</b>
<b>Total Restricted Funds</b>	<b>6,184,047</b>	<b>3,542,351</b>	<b>(3,323,953)</b>	<b>(345,000)</b>	<b>6,057,445</b>
<b>Total Unrestricted Funds</b>	<b>230,874</b>	<b>93,511</b>	<b>(4,498)</b>	<b>-</b>	<b>319,887</b>
<b>Total Funds</b>	<b>6,414,921</b>	<b>3,635,862</b>	<b>(3,328,451)</b>	<b>(345,000)</b>	<b>6,377,332</b>

The Academy Trust is not subject to GAG carried forward limits.

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

Restricted general funds – includes all income with specified criteria attached to its use and the corresponding expenditure in relation to this income.

Restricted fixed asset funds – includes all restricted income and expenditure related to the purchase of fixed assets, from income restricted for this purpose.

Unrestricted funds – includes all other income and expenditure which has no specific criteria attached to its use.

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 14. Funds (continued)

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

	Balance at 1 September 2022	Income	Expenditure	Gains (Losses) and Transfers	Balance at 31 August 2023
	£	£	£	£	£
<b>Restricted General Funds</b>					
General Annual Grant (GAG)	837,961	900,927	(821,588)	-	917,300
Other Grants	-	1,814,982	(1,814,982)	-	-
Other income	-	-	-	-	-
Provision for boarding	97,679	285,310	(252,689)	-	130,300
Pension Reserve	(104,000)	-	(41,000)	452,000	307,000
	<b>831,640</b>	<b>3,001,219</b>	<b>(2,930,259)</b>	<b>452,000</b>	<b>1,354,600</b>
<b>Restricted Fixed Asset Funds</b>					
Transfer on conversion	4,171,802	-	(87,088)	-	4,084,714
DfE Group capital grants	153,493	89,671	-	-	243,164
Other capital grants	-	-	-	-	-
Capital expenditure from GAG	521,318	-	(19,749)	-	501,569
	<b>4,846,613</b>	<b>89,671</b>	<b>(106,837)</b>	<b>-</b>	<b>4,829,447</b>
<b>Total Restricted Funds</b>	<b>5,678,253</b>	<b>3,090,890</b>	<b>(3,037,096)</b>	<b>452,000</b>	<b>6,184,047</b>
<b>Total Unrestricted Funds</b>	<b>192,271</b>	<b>42,729</b>	<b>(4,126)</b>	<b>-</b>	<b>230,874</b>
<b>Total Funds</b>	<b>5,870,524</b>	<b>3,133,619</b>	<b>(3,041,222)</b>	<b>452,000</b>	<b>6,414,921</b>

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 15. Analysis of Net Assets between Funds

Fund balances at 31 August 2024 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	893,895	4,652,277	<b>5,546,172</b>
Current assets	319,887	540,002	78,911	<b>938,800</b>
Current liabilities	-	(107,640)	-	<b>(107,640)</b>
Non-current liabilities	-	-	-	-
Pension scheme liabilities	-	-	-	-
<b>Total net assets</b>	<b>319,887</b>	<b>1,326,257</b>	<b>4,731,188</b>	<b>6,377,332</b>

Comparative information in respect of the previous period as at 31 August 2023 is as follows:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	681,859	4,827,407	<b>5,509,266</b>
Current assets	230,874	1,068,821	2,040	<b>1,301,735</b>
Current liabilities	-	(703,080)	-	<b>(703,080)</b>
Non-current liabilities	-	-	-	-
Pension scheme liabilities	-	307,000	-	<b>307,000</b>
<b>Total net assets</b>	<b>230,874</b>	<b>1,354,600</b>	<b>4,829,447</b>	<b>6,414,921</b>

#### 16. Capital and other commitments

	2024 £	2023 £
Commitments contracted for, but not provided for at 31 August	<u>14,444</u>	-

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 17. Long-term commitments, including operating leases

##### Operating leases

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Amounts due within one year	27,810	16,596
Amounts due between one and five years	42,116	13,522
Amounts due after five years	-	-
	<b>69,926</b>	<b>30,118</b>

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

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Net income / (expenditure) for the period	307,411	92,397
Adjusted for:		
Depreciation	153,777	141,063
Profit on disposal of fixed assets	-	(2,670)
Capital grants from DfE and other capital grants	(10,075)	(89,671)
Interest paid	-	-
Interest receivable	(12,297)	(3,645)
Defined benefit scheme cost less contributions payable	(21,000)	36,000
Defined pension scheme finance cost	(17,000)	5,000
(Increase) / decrease in debtors	(41,307)	98,543
Increase / (decrease) in creditors	(595,440)	619,594
<b>Net cash provided by operating activities</b>	<b>(235,931)</b>	<b>896,611</b>

#### 19. Cash flows from financing activities

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Repayments of borrowing	-	-
Interest paid	-	-
<b>Net cash provided by / (used in) financing activities</b>	<b>-</b>	<b>-</b>

**Notes to the accounts**  
**For the Year Ended 31 August 2024**

**20. Cash flows from investing activities**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	12,297	3,645
Purchase of tangible fixed assets	(190,683)	(172,962)
Sale of tangible fixed assets	-	4,670
Capital grants from DfE Group	10,075	89,671
<b>Net cash provided by / (used in) investing activities</b>	<b>(168,311)</b>	<b>(74,976)</b>

**21. Analysis of cash and cash equivalents**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Cash in hand and at bank	768,896	1,173,138
<b>Total cash and cash equivalents</b>	<b>768,896</b>	<b>1,173,138</b>

**22. Analysis of changes in net debt**

	<b>At</b>	<b>Cash flows</b>	<b>At</b>
	<b>1 September 2023</b>		<b>31 August 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash	1,173,138	(404,242)	768,896
Cash equivalents	-	-	-
	<b>1,173,138</b>	<b>(404,242)</b>	<b>768,896</b>
Loans falling due within one year	-	-	-
Loans falling due after more than one year	-	-	-
<b>Total</b>	<b>1,173,138</b>	<b>(404,242)</b>	<b>768,896</b>

## **Notes to the accounts**

### **For the Year Ended 31 August 2024**

#### **23. Members liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

#### **24. 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 Cheshire Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £26,377 were payable to the schemes at 31 August 2024 (2023: £25,524) and are included within creditors.

#### **Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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 ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 24. Pension and similar obligations (continued)

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

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

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

The total pension costs paid to TPS in the year amounted to £227,134 (2023 £202,135).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>)

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £226,000 (2023 £180,000), of which employer's contributions totalled £169,000 (2023 £135,000) and employees' contributions totalled £57,000 (2023 £45,000). The agreed contribution rates for future years are 19.1% for employers and between 5.5% to 12.5% for employees depending on salary.

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 24. Pension and similar obligations (continued)

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an Academy Trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 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.

#### Principal Actuarial Assumptions

	At 31 August 2024	At 31 August 2023
	%	%
Rate of increase in salaries	3.35	3.70
Future pensions increases	2.65	3.00
Discount rate for scheme liabilities	5.00	5.20

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

	At 31 August 2024	At 31 August 2023
	Years	Years
<i>Retiring today</i>		
Males	21.1	21.2
Females	23.9	24.0
<i>Retiring in 20 years</i>		
Males	20.6	24.0
Females	24.9	25.0

#### Sensitivity Analysis

	2024	2023
	£000	£000
Discount rate: + 0.1%	(59)	(53)
Discount rate: - 0.1%	59	53
Mortality assumption: 1 year increase	106	96
Mortality assumption: 1 year decrease	(106)	(96)
CPI rate: + 0.1%	58	51
CPI rate: - 0.1%	(58)	(51)

**Notes to the accounts**  
**For the Year Ended 31 August 2024**

**24. Pension and similar obligations (continued)**

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

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Equities	1,655	1,408
Bonds	1,030	894
Property	406	379
Cash and other liquid assets	<u>31</u>	<u>27</u>
<b>Total fair value of assets</b>	<b><u>3,122</u></b>	<b><u>2,708</u></b>

**Amount recognised in the Statement of Financial Activities**

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
Current service cost	(148)	(171)
Past service cost	-	-
Interest income	145	111
Interest cost	(128)	(116)
Benefit changes, gain / (loss) on curtailment and gain / (loss) on settlement	-	-
Admin expenses	-	-
Asset ceiling restriction	<u>(473)</u>	<u>-</u>
<b>Total amount recognised in the SOFA</b>	<b><u>(604)</u></b>	<b><u>(176)</u></b>

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

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<b>At 1 September 2023</b>	<b>2,401</b>	<b>2,660</b>
Current service cost	148	171
Interest cost	128	116
Employee contributions	57	45
Actuarial (gain) / loss	(14)	(518)
Benefits paid	(71)	(73)
Unfunded benefits paid	-	-
Past service cost	<u>-</u>	<u>-</u>
<b>At 31 August 2024</b>	<b><u>2,649</u></b>	<b><u>2,401</u></b>

## Notes to the accounts

### For the Year Ended 31 August 2024

#### 24. Pension and similar obligations (continued)

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

	<b>2024</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>
<b>At 1 September 2023</b>	<b>2,708</b>	<b>2,556</b>
Interest income	145	111
Actuarial gain / (loss)	114	(66)
Employer contributions	169	135
Employee contributions	57	45
Benefits paid	<u>(71)</u>	<u>(73)</u>
<b>At 31 August 2024</b>	<b>3,122</b>	<b>2,708</b>
Asset ceiling restriction	<u>(473)</u>	<u>-</u>
<b>At 31 August 2024 ( following asset restriction)</b>	<b><u>2,649</u></b>	<b><u>2,708</u></b>

The Trust has applied the results of the actuary's asset ceiling report which restricts the pension asset to nil.

#### 25. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

R Duval, daughter of M Duval (CEO and Accounting Officer), is employed by the Academy Trust as a teacher. R Duval's appointment was made in open competition and M Duval was not involved in the decision-making process regarding the appointment. R Duval is paid within normal pay scale for her role and received no special treatment as a result of her relationship to the CEO.

**Notes to the accounts**  
**For the Year Ended 31 August 2024**

**26. Academy trust boarding trading account**

		<b>2024</b>		<b>2023</b>	
	£	£	£	£	£
<b>Income</b>					
Grants		<u>285,311</u>		<u>285,310</u>	
			285,311		285,310
<b>Expenditure</b>					
<b>Direct costs</b>					
Teaching and educational support staff	237,596		197,350		
Total direct cost		<u>237,596</u>		<u>197,350</u>	
<b>Indirect costs</b>					
Rent and rates	4,500		4,500		
Energy costs	18,000		18,000		
Insurance	4,000		4,000		
Security and transport	11,000		11,000		
Repairs and maintenance	6,350		7,680		
Catering	4,684		4,699		
Other support costs	<u>6,886</u>		<u>5,460</u>		
Total indirect costs		<u>55,420</u>		<u>55,339</u>	
<b>Total operating costs</b>			<u>293,016</u>		<u>252,689</u>
<b>Surplus/(deficit) on boarding</b>			(7,705)		32,621
<b>Surplus/(deficit) brought forward at 1 September 2023</b>			<b>130,300</b>		<b>97,679</b>
<b>Surplus/(deficit) carried forward at 31 August 2024</b>			<u><b>122,595</b></u>		<u><b>130,300</b></u>