

**COMPANY REGISTRATION NUMBER 07680823
(England and Wales)**

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2021**

David Allen
Chartered Accountants & Statutory Auditor
Dalmar House
Barras Lane Estate
Dalston
Carlisle
CA5 7NY

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

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**CALDEW SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members trustees	and	Mrs J M Wilkinson, (chair of governors) Mrs J E Doherty Mr D B Craig Ms T Z Abbas Mr M Smillie
Governors trustees	and	Ms V J Jackson, (accounting officer) Miss R T Mason, (parent governor) (resigned 2 September 2020) Mr B McArdle, (staff governor) Mrs L P Atkinson, (parent governor) Mrs K Cavanagh, (staff governor) Mr K J Ross, (parent governor) Mrs V Lawson, (parent governor) Mrs C E Wallace, (staff governor) Mrs L Morrison, (community governor) Mr S Tweedie, (community governor) Mr S Cooper, (parent governor) (appointed 2 November 2020) Mr G P Smith, (community governor) (appointed 28 September 2021)
Company secretary		Mr D Foulkes
Senior management team		Ms V J Jackson, (headteacher/principal) Mr P D Hammond, (deputy headteacher) Mrs C Atkinson, (deputy headteacher) Miss Y Nordon, (assistant headteacher) Mr A L James, (assistant headteacher) Mr M Moody, (associatè assistant headteacher) Mr D Foulkes, (business manager) Ms H Howson, (safeguarding lead)

**CALDEW SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

Principal and registered office	Caldew School Carlisle Road Dalston CA5 7NN
Company registration number	07680823
Auditor	David Allen Chartered Accountants & Statutory Auditor Dalmar House Barras Lane Estate Dalston Carlisle CA5 7NY
Bankers	Lloyds Bank Plc 5-6 King Street Penrith CA11 7AP Cumberland Building Society 12 The Square Dalston Carlisle CA5 7PH
Solicitors	Burnetts 6 Victoria Place Carlisle CA1 1ES

**CALDEW SCHOOL
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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 11 to 18 serving a rural catchment area in north Cumbria. It has a pupil capacity of 1,050 and had a roll of 940 in the school census in January 2021.

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 members and governors act as the trustees for the charitable activities of Caldew School and are also the directors of the charitable company for the purposes of company law. The charitable company operates as Caldew School. They have ultimate responsibility for management of Caldew School.

Details of the governors who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on pages 1 and 2.

The governing body has decided that there should always be five members, being the chair of governors, vice chair and three other community governors. Over the year changes have been made to the governing body as is the natural course of things and these are recorded at appropriate points both in this report and in the company's statutory books.

Members' liability

Each member of the academy trust undertakes to contribute to the assets of the academy trust 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 trustees have legal indemnity cover for £5,000,000 which is part of the overarching school insurance policy from Zurich Insurance Plc. This protects all trustees from legal claims made against them while undertaking the voluntary roles that they discharge through their status.

Principal activities

The academy trust's charitable object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. In setting the objectives, strategy and activities of the academy trust, the governors have given careful consideration to the Charity Commission's general guidance on public benefit.

The income and property of the academy trust is applied solely towards the promotion of the object.

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

Method of recruitment and appointment or election of trustees

(As outlined in the Articles of Association)

The number of governors shall be not less than three but shall not be subject to any maximum.

The governors of the academy trust meet regularly as a separate body (and are required to hold at least three meetings in any school year).

The governors of the academy are appointed using the procedures outlined in the articles (and summarised below). The governing body comprises the following;

- Up to five governors, deemed community governors who are appointed by the members. They are selected to provide balance and wider perspective to the governing body;
- Staff governors, appointed by the members through such process as they may determine, provided that the total number of governors (including the headteacher) who are employees of the academy trust does not exceed one third of the total number of governors. In practice this means that nominations are asked for from the staff body and in the case of more than one nomination, the clerk to the governors organises an appropriate voting process to determine the member of staff to be appointed;
- One governor appointed by the Local Authority if it chooses to do so (currently the governors have chosen not to appoint such a governor);
- The headteacher; and
- A minimum of two parent governors who are elected by parents of registered pupils at the academy. A parent governor must be a parent of a pupil at the academy at the time when he/she is elected.

The governing body shall make all necessary arrangements for, and determine all other matters relating to, an election of parent governors, including any question of whether a person is a parent of a registered pupil at the academy. Any election of parent governors which is contested shall be held by secret ballot.

The arrangements made for the election of a parent governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he/she prefers, by having his/her ballot paper returned to the academy trust by a registered pupil at the academy.

Where a vacancy for a parent governor is required to be filled by election, the governing body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the academy is informed of the vacancy and that it is required to be filled by election, informed that he/she is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

The number of parent governors required shall be made up by parent governors appointed by the governing body if the number of parents standing for election is less than the number of vacancies.

The governors may appoint up to three co-opted governors. A 'co-opted governor' means a person who is appointed to be a governor by being co-opted by governors who have not themselves been so appointed. The governors may not co-opt an employee of the academy trust as a co-opted governor if thereby the number of governors who are employees of the academy trust would exceed one third of the total number of governors (including the principal).

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

Policies and procedures adopted for the induction and training of trustees

All new governors are well supported in their roles through comprehensive training and information. On appointment all new governors are given:

- welcome letter from chair of governors and clerk
- articles of association
- guide to the law including a copy of the Charity Commission document "The Essential Trustee"
- terms of reference for all committees of the governing body
- business interests letter
- business interests form to be completed
- meetings calendar
- terms of office
- contact details
- governing body decision planner
- governing body code of practice
- committee structure

Members of the governing body are invited to attend a meeting of all the committees so that they may familiarise themselves with the function, purpose and remit of each. They are expected to attend the regular meetings of the full governing body as well as being a member of one of the committees that meet according to a published schedule. The schedule is readily available and published on the academy's website.

As training needs are identified through skills audit or emergent developments these are organised with relevant external providers through the clerk to the governors.

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

Organisational structure

The governing body has overall responsibility for the administration and finances of the academy trust.

The governing body meets as a full committee once every half term during the academic year to ratify the work of the committees and to discuss any overarching policies as laid out in the scheme of delegation. The committees meet on a similar basis and each has specific terms of reference which are summarised below:

Full governing body (Chair - Mrs J M Wilkinson)

Committees:

- Finance and General Purposes - budget, financial procedures, best value, significant virements, contracts. (Chair - Mr M Smillie)
- Resources - HR, pay and conditions, appraisal, health and safety, maintenance, building development, accessibility. (Chair - Mr D B Craig)
- Student Welfare and Guidance - Pastoral care, trips / visits, admissions, safeguarding, pupil premium, SEND. (Chair - Mrs L P Atkinson)
- Progress and Standards - curriculum, student attainment / progress, teaching and learning. (Chair - Ms T Z Abbas)

In addition to the general committees of the governing body there exists occasional committees. The ones that meet yearly are:

- Pay review
- Headteacher's pay review

The committees for staff dismissal and student discipline meet infrequently and only when called on due to circumstance.

Arrangements for setting pay and remuneration of key management personnel

The academy has a pay policy in place that sets out how pay for all staff is set. Senior leaders are paid in line with the national pay scales that are matched to the size of the school. The school group that sets the pay ranges is group 6. The headteachers pay range is L29-35. The deputy headteachers are paid in the range L20-24 and the assistant headteachers are paid in the range L12-16. Progression within the pay range is determined by the school's appraisal process and senior leaders must have had a successful appraisal in order to move up the pay range. The headteachers appraisal and pay progression decisions are carried out by a governors committee with input from an NLE. Pay recommendations for other senior leaders are made to the governors pay committee who then make the decision.

The academy's trustees are not paid. The academy has a governors expenses policy in place which is used to determine any expenses payments. There have been no claims by governors in the last academic year.

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	0.2

Percentage of time spent on facility time

Percentage of time

Number of employees

100%

1

Percentage of pay bill spent on facility time

2021

£

Provide the total cost of facility time

4,160

Provide the total pay bill

4,472,750

Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100

-

Paid trade union activities

2021

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100

100

Trustees should refer to Statutory Instrument 2017 No. 328, The Trade Union Facility Time Publication Requirements Regulations 2017 for calculation details.

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

Risk management

The academy is exposed to a number of risks that are included in the risk register. These are also included in the three year development plan. These documents are reviewed annually by the governing body and regularly by the headteacher in conjunction with the senior leadership team and business manager. These revolve around the funding that sustains the school in its function and the physical site that the school occupies. The main risks that are foreseen are changes to pay settlements for either associate or teaching staff, potential enhanced pension contributions, pupil numbers on roll, the need to update the school's ICT system and encroachment of the river Caldeu into the schools' grounds.

The academy trust is the custodian of the land that the academy sits upon and the governors maintain a regular overview of its conditions including the river and public rights of way. Chancery insurance is in place to protect the academy against the risk of local parish chancery claims. In addition, the current situation with regard to the COVID-19 pandemic is resulting in increased costs to the school and the extent of future costs cannot be predicted.

The Finance and General Purposes Committee of the governing body regularly reviews the in-year budget to protect against risks of over expenditure. The school also employs an internal auditor to ensure that internal audit testing is completed to Education and Skills Funding Agency (ESFA) guidelines and reports on each internal auditor visit are presented to the Finance and General Purposes Committee, along with an appropriate action plan to address any highlighted areas for improvement in practice.

The Premises Committee instruct a quinquennial site survey and maintain a regularly updated premises priorities list that balances educational need with premises upkeep and longevity of the estate. The committee also oversees health and safety policy and procedures within the school.

The work of each of these committees is reported directly to the governing body.

Connected organisations, including related party relationships

Caldeu School works in partnership with "Trinity School, A Church of England Academy" in a soft chain. Each academy has a separate governing body and they work as completely autonomous schools. The level of school to school support and development undertaken through the soft chain is decided upon each year in agreement between the respective headteachers (principals) and their deputies. These activities have no financial impact on either academy and are done purely on a level of sharing teaching and learning expertise to enhance the educational provision for the students of the respective institutions.

The academy trust maintains a register of business interests for all governors and senior management to identify related party relationships and transactions.

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

OBJECTIVES AND ACTIVITIES

Objects and aims

The aim of the governing body is to maintain and improve the school's standards of education in accordance with its charitable object. Its work can be divided into three key areas:

- Setting the school's vision and strategic aims, agreeing plans and policies, and making creative use of resources.
- Monitoring and evaluating performance, acting as a critical friend to the headteacher and senior leadership team to support and challenge them in managing the school.
- Ensuring that the school is accountable to the children and parents it serves, to its local community, to those who fund and maintain it, as well as to the staff it employs.

Objectives, strategies and activities

The school has set a three year action plan for the period of 2020-2023 that is focussed around the strategic oversight of the committees of the governing body:

Standards and progress

- academic outcomes
- progress
- learning community
- equality

Student welfare and guidance

- attendance
- behaviour
- admissions
- equality

Resources

- premises
- staffing
- equality

Finance

Full governing body

- estate plan
- communications
- equality

All activities of the school are aimed at ensuring that these are the focus of its work and that of the governing body. In addition to these strategic objectives the governing body maintains the desire to achieve at least balanced budgets with appropriate financial management and safeguards in place.

A more detailed breakdown of the objectives, strategies and activities undertaken around these areas can be found in the schools action plan available on request. A summary of the current year's action plan in summary detail is available to download from the school's website.

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

Due to the COVID-19 pandemic the governing body has had additional areas to oversee and support the school. This has included:

- the provision of education for students during lockdown
- the provision of childcare for key workers during lockdown
- health and safety in respect to reopening the school in September 2020 and March 2021
- on going health and safety measures in respect to COVID-19
- oversight of the financial impact of the pandemic on the school
- participation in the national free school meal scheme

The school received a total of £67,000 for COVID Catch-up funding. A wide variety of strategies were introduced to provide additional support in Maths, Science, English, Literacy, Numeracy, and MFL. This provision was arranged through a combination of external provision and additional hours from our existing staff resource.

Public benefit

The academy trust's charitable purpose, to promote education for the public benefit, underpins all our objectives, strategies and activities and the governors have proper regard to relevant Charity Commission guidance on public benefit in managing the academy trust.

Caldew School provides education to 11 to 18 year old students who are admitted to the academy through its admissions policy to a non-fee paying school. The students are not selected by ability or aptitude; Caldew School admits all students of the relevant age living within the geographical area of its catchment. Once these students have been admitted then, as per the admission policy, other students from the wider geographical area are able to achieve admission. All external data shows that the academy achieves positive value added with its students from their point of entry to the point at which they leave the school at either the end of the academic year they reach 16, 17 or 18 as determined by their voluntary leaving age post compulsory education.

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The school exists for the benefit of its students and as such their outcomes are the easiest to measure as achievements and as a reflection on the performance of the school. However, in the 2020-21 academic year public exams were cancelled due to the COVID-19 crisis. Exam grades were awarded based on teacher assessed grades that were moderated by the exam boards.

Results showed that the school has continued its track record in achieving strong A level results and the results were slightly higher than in previous years. The average points score increased from 32.8 to 34.83 and the average grade was C+. The average points score for Applied General courses was 40.94 up from 39.0 with an average grade of Distinction. At A level boys outperformed girls (girls average points 34.2, average grade C+ and boys 35.7 and average grade B-) and non-disadvantaged students outperformed disadvantaged students (non-disadvantaged average points 35.4 and average grade B- and disadvantaged 25.6 and average grade C-). The score for disadvantaged students is up from the previous year's result of an average grade of D-.

Of the 40 students who had been offered places at University 39 had offers from their first or second choice institutions and one went into clearing. 16 students had planned to go into employment or onto apprenticeships.

At GCSE exam results maintained the performance of the previous two years where external exams were held. Basics at 4+ was 66% and at 5+ 40%. The percentage entered for the EBacc suite of subjects was 56% which is above the national figure and 31% achieved a standard pass and 13% a strong pass. 61% of students achieved 5 grade 9-4 including English and Maths. Girls performed better than boys. Disadvantaged students progress was also below that of non-disadvantaged students. The majority of SEND students performed in line with their targets.

Attendance is also difficult to measure due to the global pandemic. Compared to previous years, attendance was down. However, attendance figures were above national figures. The number of fixed term exclusions decreased when compared to the same point the previous year.

The school was subject to an OFSTED inspection during 2017-18 and was judged as Requires Improvement. The areas for improvement identified in the OFSTED report have been incorporated into the School Development Plan.

The COVID-19 pandemic has also meant the school has had to provide education and pastoral care remotely to students during the period of school closure. Work was set for students weekly via FireFly. All students had the opportunity to complete tasks and live lessons and receive feedback from their teachers. The wellbeing of students was also prioritised and staff kept in contact with students throughout the period of school closure. The school received a large amount of positive feedback and thanks from parents and carers for its support and work during this period.

In order to put control measures in place to reduce the risk of COVID-19 being transmitted, the school has used its budgetary resources to fund adaptations to the school building and its procedures. These measures included hand sanitiser and additional cleaning. The school spent £35,000 on these COVID related measures.

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

STRATEGIC REPORT

The school also spent some of its budget on supply staff to cover COVID related absence. This came to £12,000.

The school received 100 laptops as part of the Governments initiative to provide digital access to disadvantaged students during lockdown. These devices were distributed to those students who were eligible. They have been collected back in and will remain as a resource for these students to use. The school received £67,000 in catch up funding that was spent on providing additional support to students to help them catch up on lost learning. The school is also due to receive £17,856 for the summer school for students transferring from Y6 in to Y7. This was attended by 63 students during the summer holidays.

The school has used its budgetary resources to fund the maintenance work of the premises. A bid for capital funding for replacing one of the roofs was successful and the school has been allocated £198,402 for this work. This money will be spent in the 2021-22 academic year.

The governing body is pleased with the progress the school has made in the last 12 months as an academy and look forward to securing further improvements in the next reporting period.

Key Performance Indicators

A full budget is prepared before the start of the accounting period. The budget is set to balance in year, accounting for known and anticipated funding and income against known and anticipated expenditure. The budget is approved by the governing body. During the accounting period the budget was monitored on a regular basis. Payroll detail is spot checked each month for accuracy. Invoices are authorised and paid within payment terms and a monthly bank reconciliation completed to confirm transactions are accurate and cash flow secure. A VAT return is completed online each month to comply with HMRC regulations.

The main elements of the budget were all expended as planned with some variance in some areas. The COVID 19 pandemic did create more pressure on the budget and a total of £47,000 was spent on COVID related expenditure.

The majority of expenditure that occurs is through staffing costs with an overall small underspend. The areas of negative variance that occurred were cleaning, IT maintenance, some departmental capitation budgets and external professional services. In addition there was a significant reduction in catering and lettings income due to the pandemic.

The area of the budget that saw higher than predicted levels of income was from SEN Education Health Care Plan and ESFA funding.

Due to the pandemic there was a significant reduction in catering facilities that could be offered resulting in a decrease of £173,500. Lettings could also not take place for most of the year and this resulted in income being £51,100 below predictions. Music income was also lower than originally budgeted. However, there were increases in income from ESFA (£150,000) funding and SEND (£61,000) that helped to reduce the overall loss.

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

STRATEGIC REPORT

A forward budget plan is prepared within the school action plan that enables the academy to plan for known cost pressures or income variance. The school is facing increased financial pressures in the future due to unfunded pay rises and possible increased pension costs. In addition, the school saw a decrease in pupil numbers of 14 which will have an impact on income in 2021-22. Areas already identified for 2021-22 include costs associated with the COVID-19 pandemic, changes to the LGPS scheme where it is anticipated that an increase in the lump sum contributions may be required and pay awards for support staff. The school has prepared and submitted a 3 year budget to the EFSA that shows the impact of these financial pressures over the next three years. The 2021-22 budget has been set as a balanced budget.

Going Concern

After making appropriate enquiries, and in reliance on appropriate financial and accounting advice, the governing body 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 regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

Governors have adopted the ESFA Finance Manual which incorporates the policy for financial delegation, statement of internal control and best value. This is updated as necessary to reflect the practices and procedures in place within the organisation as operationally needed or through recommendations of the Internal or External Auditors.

The academy prepares and monitors financial plans to ensure ongoing financial health. The budget is monitored and monthly management accounts are prepared that set out the school's financial performance and position, budget variance reports and cash flow forecasts. These reports are reviewed by the Headteacher and Chair of Governors monthly and are reviewed by other trustees six times per year to satisfy the DFE Financial Handbook.

The main funding stream is the GAG provided via the ESFA, along with threshold, Pupil Premium, Bursary funding and other minor grants. The school receives "top-up" SEN funding from Cumbria Local Authority. Ring fenced capital maintenance funding has been made available via successful bids. The private income generated by the school is predominately raised through the provision of internal catering and lettings of its sporting facilities.

The school is in a reasonable healthy financial position given the cuts to funding and increases to running costs. The school is aware of future pressures and is planning accordingly.

Expenditure has supported key objectives by narrowing the gap in achievement between key groups and successful exam results.

During the year ended 31 August 2021 total income amounted to £6,078,872 (2020: £5,758,410) and total expenditure was £6,354,564 (2020: £6,281,892). This resulted in net expenditure before transfers and other gains and losses (and after accounting for depreciation charges of £431,022) of £275,692 (2020: £523,482).

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

STRATEGIC REPORT

At 31 August 2021 the net book value of fixed assets was £6,774,477 (2020: £7,207,142) and movement in tangible fixed assets are detailed in note 11 to the financial statements. These assets were used exclusively for the purposes of providing education.

Reserves Policy

The academy trust ran at an overall deficit of £873,692 for the year. This was after accounting for depreciation of £431,022 and an actuarial loss on the local government pension scheme of £598,000. At the year end the total funds carried forward amounted to £3,013,012 which included unrestricted funds of £410,115 and restricted general funds of £463,015, not including the pension deficit of £4,824,000.

The academy trust had achieved a cumulative surplus of unrestricted funds of £410,115 by the end of 2020-21 and it is the policy of the Governing body that the majority of monies available should be used to benefit the education of students so a reserve of £25,000 only will be retained as detailed in the Academy's Treasury Policy. This will be used for emergency purposes while the remainder of the surplus will be used to refurbish aging teaching spaces and increase other budget lines that have been under pressure due to cost increases within the school.

A further cumulative £88,400 has been set aside for the replacement of the schools astro-turf pitch and multi-gym equipment. A portion will be used for repairs to the surface following recommendations in the annual inspection report. A sum of £15,000 will be added each year to allow for replacement costs of these capital intense teaching spaces. The Governors agreed not to put the annual £2,000 for the multi gym to help reduce the deficit.

The academy is paying pension contributions to the LGPS and as a result of the year end actuarial valuation there is a deficit on the scheme of £4,824,000. The liability does not result in an immediate cash flow impact on the academy trust. The academy trust has entered into an agreement to make additional contributions to the scheme to cover the deficit position. Details of this agreement can be found in note 23.

Tangible assets are held by the academy and are not included in the reserves policy.

At the year end the academy trust has an overall carried forward surplus, available to spend of £739,177. This has been calculated after taking into account the above adjustments of astro and gym replacement and reserves policy figure. The restricted fixed asset fund balance has not been included in this calculation. The surplus balance has been calculated based on unrestricted and GAG balances and does not include any other ring fenced restricted funds.

The academy monitors the level of reserves held in detail throughout the financial year, but undertakes a detailed review of their reserves policy at the end of each financial year. If considered necessary the level of reserves they believe need to be held will be amended.

Investment Policy

Potential investment avenues have been explored such as using short notice accounts and this work is under constant review to ensure that any such actions maximise returns on the cash surplus that the academy holds.

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

STRATEGIC REPORT

PRINCIPAL RISKS AND UNCERTAINTIES

The academy trust uses financial instruments, including bank balances and various items such as trade debtors and trade creditors that arise directly from its activities. The main risk associated with these is liquidity risk.

Cash flow is currently secure and the LGPS pension deficit is monitored annually to ensure that the current contribution rate is appropriate. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013. The LGPS scheme has been actuarially re-valued during 2019 and the anticipated increase in the lump sum contributions has been applied to address the projected deficit. This will be reviewed in 2022 and there may be a further increase to the lump sum.

The academy set a deficit budget for 2020-21 with the deficit being balanced from reserves. For all major risks such as fire, legal claims and threats to the building fabric, the school carries full insurance for which in 2020-21. The school has decided after exploring whether to join the ESFA Risk Protection Scheme to renew instead its insurance rather than take this option. This was a decision made by the members after taking into consideration the unique features of the academy such as its farm, river within its grounds and copper roof coverings. It was decided that on balance the RPA scheme did not give sufficient coverage at this time to make it comparable to existing insurance. This arrangement will continue into the 2021-22 year.

PLANS FOR FUTURE PERIODS

The school under the direction of the Headteacher has refined its Action Plan system. The objectives set out in its Annual Action Plan centred on the schools development as an educational establishment are available on the schools website. Key objectives and actions are set out under the following headings:

- Leadership and Management

All members of the school community are leaders of learning. Leaders at all levels are empowered to create a culture of continuous improvement that enables all students and staff to succeed in achieving outstanding progress and outcomes.

- Quality of Education

Teaching will engage and empower all students to develop their academic potential, personal interests and aspirations. The quality of teaching in all key stages and all subjects will increasingly be 'outstanding' and never less than 'consistently good'. This will lead to students developing in depth knowledge and transferable skills across all subjects in the curriculum.

- Personal Development, Welfare and Guidance

Students are the core of everything: their outstanding achievement and success is driven by a shared belief in their potential, their capacity to be leaders in the school and that all barriers can be overcome. Students take pride in their school and actively engage in all aspects of school life. They are prepared to take risks and are resilient learners.

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

STRATEGIC REPORT

- Outcomes

There are high levels of achievement for all, with students making excellent progress, regardless of gender, ability, additional needs or background. Assessment is accurate and rigorous so that underachievement is identified early and personalised interventions are in place to allow every student to catch up, keep up and achieve. These achievements allow students to have high aspirations and go on to make informed and ambitious choices about their next stages in life.

- Sixth Form

Our Sixth Form will provide a learning environment, curriculum and high quality teaching to meet the needs of each and every student. In everything we do we will focus on the needs and aspirations of individuals, responding to the changing demands and circumstances which our students face. We will make the Sixth form experience for each student a challenging, successful and enjoyable one which equips them for the next stage in their lives.

The school has updated its 3 year development plan looking strategically at other areas outside the core of student outcomes and experiences. These include:

- Evaluation of premises improvements.
- Academy development
- Future the ASC Resourced Provision
- Actions as identified in internal auditor report and audit management report.
- ICT infrastructure
- Response to COVID 19 pandemic

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021 (CONTINUED)

AUDITOR

In so far as the trustees are aware:

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

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of David Allen as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

The Governors' report, incorporating a Strategic Report, was approved by order of the members of the governing body, as the company directors, on 6 December 2021 and signed on the members behalf by:



Mrs J M Wilkinson
Chair of Governors

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNANCE STATEMENT

Scope of responsibility

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

As trustees, we have reviewed and taken account of the guidance in the DfE's Governance Handbook and competency framework for governance.

The governing body has delegated the day-to-day responsibility to Ms V J Jackson, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Caldew School and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of governors' responsibilities. The governing body has formally met 6 times during the year. Attendance during the year at meetings of the governing body was as follows:

Trustee	Meetings attended	Out of a possible
Mrs J M Wilkinson, (chair of governors)	5	6
Mr D B Craig	6	6
Ms T Z Abbas	5	6
Mr B McArdle, (staff governor)	5	6
Mrs K Cavanagh, (staff governor)	5	6
Miss R T Mason, (parent governor) (resigned 2 September 2020)	0	1
Mr S Cooper, (parent governor) (appointed 2 November 2020)	5	5
Mr M Smillie	1	6
Mr K J Ross, (parent governor)	6	6
Mrs L P Atkinson, (parent governor)	6	6
Ms V J Jackson, (accounting officer)	6	6
Mrs V Lawson, (parent governor)	6	6
Mrs C E Wallace, (staff governor)	4	6
Mr S Tweedie, (community governor)	5	6
Mrs L Morrison, (community governor)	5	6

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNANCE STATEMENT (CONTINUED)

Governance reviews

The governing body has seen some movement in membership as is normal over the accounting period. An audit of skills was completed in 2019-20. No official audit was completed in 2020-21, however as vacancies arise the governing body reviews the skills and background of its members to ensure that the right blend of skills and attributes are in place. Miss R T Mason resigned from the governing body at the start of the year. Mr S Cooper was elected as parent governor and appointed on 2 November 2020. Ms T Z Abbas resigned as a community governor on 26 November 2021 and became a member from 28 November 2021.

All meetings remained quorate over this period as laid out in the Articles of Association.

The next governance review will take place in the 2021-22 academic year.

The Finance and General Purposes Committee is a committee of the main governing body. Its purpose is to scrutinise and approve the school budget, monitor financial procedures, ensure best value, approve significant virements and oversee the award of contracts. This committee meets 3 times per year. The members board also meets 3 times a year. Governors maintain an effective oversight of funds as in addition to these meetings, the headteacher and business manager meet fortnightly and review the budget, any issues are then raised with governors. During the year the Finance and General Purposes Committee also received the internal auditors report on the financial systems within the school as well as the auditors management report. The internal and external auditors reports confirm that there is effective oversight of the academies financial affairs and use of resources. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Smillie	1	3
Mr D B Craig	3	3
Mrs J M Wilkinson	3	3
Ms T Z Abbas	1	3
Mrs K Cavanagh	2	3
Ms V J Jackson	3	3
Mrs V Lawson	1	1
Mrs L Morrison	1	1
Mr S Tweedie	1	1

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- The school has clear guidelines within its Financial Handbook regarding the need for purchases over set limits to be subject to multiple quotes and where appropriate a full tendering process. The accounting officer with the schools business manager ensure that these are strictly adhered to. The external and internal audit testing of the school are further checks that these systems are both appropriate and implemented fully.
- Benchmarking for all cost centres in the budget is undertaken on a regular basis.
- Where economies of scale are achievable, such as in energy contracts negotiated across a number of schools, the school takes steps to secure these.
- The schools business manager is active in Cumbria wide networks to ensure that best practice is shared and learnt from where possible.
- SMRA assessment was carried out but the report has been delayed due to the COVID-19 pandemic.

As a result the school continues to be able to offer a broad and balanced curriculum while experiencing per pupil real terms decreases in funding.

Public Procurement Notices were considered as appropriate. Service commitments continued as normal and all decisions taken did not have an adverse impact on value for money.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The school manages risk review and checking of controls through the appointment of an internal audit service. This is carried out by an external audit company Dodd and Co on an annual basis. This is the preferred option as there is no one on the Governing Body who has the qualifications or experience to carry out this work. Dodd and Co provide an independent review by qualified and experienced auditors with no conflict of interest.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 Caldew School for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

The work of the internal auditor is leading to modifications and improvement of these systems to ensure that they meet best practice as recommended in the internal auditor's report. The business manager of the school with the accounting officer (headteacher) work to ensure that any such adjustments are made in a timely and correct manner.

The school has introduced a termly auditing process to look at areas identified by Members. The first of these was carried out in February 2020 and looked at whether the schools risk register and associated procedures were fit for purpose. The audit was carried out by Dodd and Co and the report recommended some actions. The risk register has been re-written in line with recommendations and will be used to identify future audits. Dodd and Co also completed an internal audit in June 2021 focussing on the procedures and controls relating to budget monitoring, income and expenditure, payroll, bank accounts and fixed assets. A total of four recommendations were identified, all with low priority. These recommendations have been considered by Members.

Capacity to handle risk

The governing body 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 governing body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNANCE STATEMENT (CONTINUED)

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 governing body;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The governing body has decided:

- to employ Dodd and Co Chartered Accountants as internal auditor

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period are detailed in this report under the section called the purpose of the system of internal control.

The internal auditor reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

All functions of the internal auditor role have been undertaken in compliance with the relevant ESFA guidance. The reports have highlighted some low priority improvements to internal systems that were recommended. These recommendations have been considered by Members.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNANCE STATEMENT (CONTINUED)

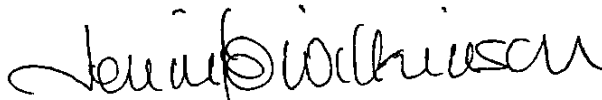
Review of effectiveness

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

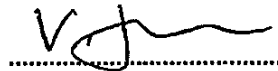
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the governing body on 6 December 2021 and signed on its behalf by:



.....
Mrs J M Wilkinson
Chair of Governors



.....
Ms V J Jackson
Accounting officer
Governor and trustee

CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE


As accounting officer of Caldew School I have considered my responsibility to notify the academy trust governing body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust governing body 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 Academies Financial Handbook 2020.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

Non-financial issues

Under section 1.4 of the Academies Financial Handbook 2020, I acknowledge that members must not be employees of the trust. During the year I was both a member and employee which is not in accordance with this guidance. This has now been amended and I am no longer a member.


.....
Ms V J Jackson
Accounting officer

6 December 2021

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The trustees (who act as the governors of Caldew School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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:

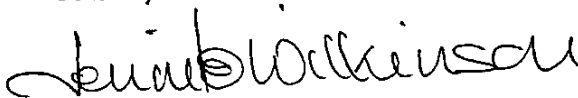
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the governing body on 6 December 2021 and signed on its behalf by:



.....
Mrs J M Wilkinson
Chair of Governors

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS
OF CALDEW SCHOOL**

Opinion

We have audited the financial statements of Caldew School (the 'academy trust') for the year ended 31 August 2021, which comprise the Statement of Financial Activities (incorporating the income and expenditure account), Balance Sheet, Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', 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)) and the Academies Accounts Direction 2020 to 2021 issued by 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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS
OF CALDEW SCHOOL (CONTINUED)**

Other information

The other information comprises the information included in the Governors' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Governors' Report, including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report, including the incorporated 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 our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report, including the incorporated strategic report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of governors' responsibilities [set out on page 25], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS
OF CALDEW SCHOOL (CONTINUED)**

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and Management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the academy which were contrary to the applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and Management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

We are not responsible for detecting fraud and preventing non-compliance and cannot be expected to detect all fraud and non-compliance with all laws and regulations. The primary responsibility for the prevention and detection of irregularities including fraud rests with both the Trustees and Management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

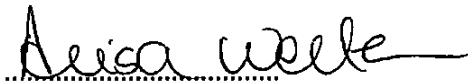
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS
OF CALDEW SCHOOL (CONTINUED)**

Use of our report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



ALISON WELTON (Senior Statutory Auditor)
For and on behalf of David Allen, Statutory Auditor

Dalmar House
Barras Lane Estate
Dalston
Carlisle
CA5 7NY

Date: 6 December 2021

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
CALDEW SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 12 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Caldew School during the year 1 September 2020 to 31 August 2021 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 Caldew School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Caldew School 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 Caldew School and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Caldew School's funding agreement with the Secretary of State for Education dated 29 July 2011 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
CALDEW SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

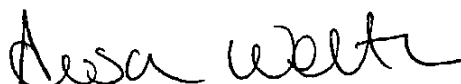
The work undertaken to draw to our conclusion includes:

- A review of the outcome of the regularity audit for the previous accounting period.
- A review of the statement on regularity, propriety and compliance provided by the accounting officer and confirming that to the best of her and the ESFA's knowledge there have been no irregular transactions within the accounting period, except those matters disclosed.
- Gaining an understanding of the work carried out by the accounting officer, the basis from which the statement on regularity, propriety and compliance has been prepared and undertaking a review of the evidence used to support this statement.
- Evaluation of the internal control procedures and scheme of delegation in place and ensuring that expenditure does not contravene the funding agreement.
- Evaluation of how the academy trust ensures best value for money and the exclusion of personal benefit in transactions undertaken.
- Evaluation of what the academy has done to review the effectiveness of the governing body.
- A review of the declared business interests.
- Undertaking a review of the delegated authorities and ensuring these have been complied with.
- Considering the outcome of the audit of the financial statements and the resulting findings from this work undertaken.

Conclusion

In the course of our work, **[except for the matters listed below]** nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

- [Matter 1]: Under section 1.4 of the Academies Financial Handbook 2020, from 1 March 2021 members must not be employees of the trust. It was discovered that the accounting officer was both a member and employee during the year which is not in accordance with this guidance. This has now been amended and the accounting officer is no longer a member.



.....
ALISON WELTON, Reporting Accountant
For and on behalf of
David Allen
Chartered Accountants & Statutory Auditor

Dalmar House
Barras Lane Estate
Dalston
Carlisle
CA5 7NY

6 December 2021

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:					
Donations and capital grants	2	-	30,000	198,402	228,402
Other trading activities	4	58,942	-	-	58,942
Investments	5	109	-	-	109
<i>Charitable activities:</i>					
Funding for the academy trust's educational operations	3	-	5,791,419	-	5,791,419
Total		59,051	5,821,419	198,402	6,078,872
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	6, 7	-	5,912,902	441,662	6,354,564
Total		-	5,912,902	441,662	6,354,564
Net income/(expenditure)		59,051	(91,483)	(243,260)	(275,692)
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	23	-	(598,000)	-	(598,000)
Net movement in funds		59,051	(689,483)	(243,260)	(873,692)
Reconciliation of funds					
Total funds brought forward at 1 September 2020		351,064	(3,671,502)	7,207,142	3,886,704
Total funds carried forward at 31 August 2021		410,115	(4,360,985)	6,963,882	3,013,012

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income from:					
Other trading activities	4	77,081	-	-	77,081
Investments	5	428	-	-	428
<i>Charitable activities:</i>					
Funding for the academy trust's educational operations	3	43,765	5,637,136	-	5,680,901
Total		121,274	5,637,136	-	5,758,410
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	6, 7	76,922	5,768,986	435,984	6,281,892
Total		76,922	5,768,986	435,984	6,281,892
Net income/(expenditure)		44,352	(131,850)	(435,984)	(523,482)
Transfers between funds		(79,549)	79,549	-	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	23	-	81,000	-	81,000
Net movement in funds		(35,197)	28,699	(435,984)	(442,482)
Reconciliation of funds					
Total funds brought forward at 1 September 2019		386,261	(3,700,201)	7,643,126	4,329,186
Total funds carried forward at 31 August 2020		351,064	(3,671,502)	7,207,142	3,886,704

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

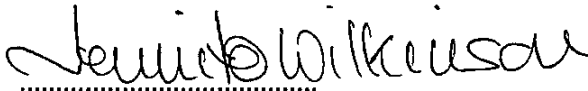
BALANCE SHEET AS AT 31 AUGUST 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11		6,774,477		7,207,142
Current assets					
Stocks	12	3,211		3,927	
Debtors	13	345,384		142,085	
Cash at bank and in hand		<u>920,343</u>		<u>698,946</u>	
		1,268,938		844,958	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(206,403)</u>		<u>(123,396)</u>	
Net current assets			<u>1,062,535</u>		<u>721,562</u>
Total assets less current liabilities			<u>7,837,012</u>		<u>7,928,704</u>
Net assets excluding pension liability			7,837,012		7,928,704
Defined benefit pension scheme liability	23		<u>(4,824,000)</u>		<u>(4,042,000)</u>
Total net assets			<u><u>3,013,012</u></u>		<u><u>3,886,704</u></u>
Funds of the academy trust:					
Restricted funds					
Restricted general fund	15	463,015		370,498	
Restricted fixed asset fund	15	6,963,882		7,207,142	
Restricted pension fund	15	<u>(4,824,000)</u>		<u>(4,042,000)</u>	
		2,602,897		3,535,640	
Unrestricted funds					
Unrestricted general fund	15	<u>410,115</u>		<u>351,064</u>	
Total funds			<u><u>3,013,012</u></u>		<u><u>3,886,704</u></u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET AS AT 31 AUGUST 2021 (CONTINUED)

The financial statements on pages 32 to 61 were approved by the trustees and authorised for issue on 6 December 2021 and signed on their behalf by:



.....
Mrs J M Wilkinson
Chair of Governors

Registration number: 07680823

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	18	22,386	(117,913)
Cash flows from investing activities	19	<u>199,011</u>	<u>428</u>
Change in cash and cash equivalents in the year		221,397	(117,485)
Cash and cash equivalents at 1 September 2020		<u>698,946</u>	<u>816,431</u>
Cash and cash equivalents at 31 August 2021	20, 21	<u><u>920,343</u></u>	<u><u>698,946</u></u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 ACCOUNTING POLICIES

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 2020 to 2021 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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

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 is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated are measured and included at fair value. The income is recognised as income from donations and a corresponding amount is included in the appropriate expenditure category.

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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

1 ACCOUNTING POLICIES (continued)

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Assets costing £2,500 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, per the table below.

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.

Asset class	Depreciation method and rate
Freehold Buildings	over the remaining life of the building
Fixtures, Fittings and Equipment	10%
Computer Equipment	33%
Plant, Machinery and Motor Vehicles	10-20%

Liabilities

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

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

1 ACCOUNTING POLICIES (continued)

Provisions

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

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

Leased assets

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

Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. 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.

Stock

Stocks are valued at the lower of cost or net realisable value.

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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

1 ACCOUNTING POLICIES (continued)

Pension 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 so as 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 on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net 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 Department for Education Group.

Critical accounting estimates and areas of judgement

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

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

1 ACCOUNTING POLICIES (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 0% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 25.

2 DONATIONS AND CAPITAL GRANTS

	Restricted funds £	Restricted fixed asset funds £	2020/21 Total £
Capital grants	-	198,402	198,402
Other donations	30,000	-	30,000
	<u>30,000</u>	<u>198,402</u>	<u>228,402</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

3 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	4,788,745	4,788,745	4,767,067
Capital grants (Formula capital)	20,633	20,633	21,196
Pupil premium	144,793	144,793	137,279
FSM grant	18,572	18,572	3,520
Teachers pension grant	184,880	184,880	190,360
Other DfE/ESFA grants	<u>97,977</u>	<u>97,977</u>	<u>112,425</u>
	<u>5,255,600</u>	<u>5,255,600</u>	<u>5,231,847</u>
Other government grants			
Local authority grants	14,500	14,500	-
Special educational projects	182,946	182,946	151,702
Local authority funding - Pupil Premium	<u>3,961</u>	<u>3,961</u>	<u>9,270</u>
	<u>201,407</u>	<u>201,407</u>	<u>160,972</u>
Non-government grants and other income			
Exam fees income	-	-	1,038
Curriculum income	3,974	3,974	6,869
Other grant income and funding	35,305	35,305	24,549
Insurance claim income	-	-	43,765
Catering income	88,276	88,276	172,954
School fund/trip income	68,273	68,273	36,825
Other	<u>2,025</u>	<u>2,025</u>	<u>-</u>
	<u>197,853</u>	<u>197,853</u>	<u>286,000</u>
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	67,000	67,000	-
Other DfE/ESFA COVID-19 funding	<u>17,855</u>	<u>17,855</u>	<u>-</u>
	<u>84,855</u>	<u>84,855</u>	<u>-</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

3 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS (continued)

	Restricted funds £	2020/21 Total £	2019/20 Total £
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme grant	1,545	1,545	2,082
Other COVID-19 funding	<u>50,159</u>	<u>50,159</u>	<u>-</u>
	<u>51,704</u>	<u>51,704</u>	<u>2,082</u>
Total grants	<u>5,791,419</u>	<u>5,791,419</u>	<u>5,680,901</u>

The academy received £67,000 of funding for catch-up premium and costs incurred in respect of this funding totalled £67,000.

The academy furloughed some of its site staff under the government's CJRS. The funding received of £1,545 relates to staff costs in respect of these staff which are included within note 8 below as appropriate.

4 OTHER TRADING ACTIVITIES

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	30,657	30,657	43,343
Music tuition	15,766	15,766	14,721
Rental income	3,120	3,120	3,120
Other miscellaneous income	<u>9,399</u>	<u>9,399</u>	<u>15,897</u>
	<u>58,942</u>	<u>58,942</u>	<u>77,081</u>

5 INVESTMENT INCOME

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Bank interest receivable	<u>109</u>	<u>109</u>	<u>428</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

6 EXPENDITURE

	Non Pay Expenditure			2020/21	2019/20
	Staff costs £	Premises £	Other costs £	Total £	Total £
Academy's educational operations					
Direct costs	3,836,908	432,165	538,828	4,807,901	4,705,051
Allocated support costs	<u>826,478</u>	<u>447,203</u>	<u>272,982</u>	<u>1,546,663</u>	<u>1,576,841</u>
	<u>4,663,386</u>	<u>879,368</u>	<u>811,810</u>	<u>6,354,564</u>	<u>6,281,892</u>

Net income/(expenditure) for the year includes:

	2020/21 £	2019/20 £
Operating lease rentals	880	5,112
Depreciation	431,022	434,067
Fees payable to auditor - audit	3,500	3,500
(Gain)/loss on disposal of fixed assets	1,143	1,917
Fees payable to auditor - other services	<u>11,692</u>	<u>11,548</u>

Included within expenditure are the following transactions.

	Total £	Individual items above £5,000	
		Amount £	Reason
Fixed asset losses	1,143	-	
Stock losses	180	-	
Unrecoverable debts	352	-	

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

7 CHARITABLE ACTIVITIES

		Total 2020/21 £	Total 2019/20 £
Direct costs - educational operations		4,807,901	4,705,051
Support costs - educational operations		<u>1,546,663</u>	<u>1,576,841</u>
		<u>6,354,564</u>	<u>6,281,892</u>
	Educational operations £	2020/21 Total £	2019/20 Total £
Analysis of support costs			
Support staff costs	826,478	826,478	779,119
Technology costs	89,385	89,385	58,743
Premises costs	447,203	447,203	499,271
Legal costs - other	10,512	10,512	18,255
Other support costs	162,745	162,745	212,398
Governance costs	<u>10,340</u>	<u>10,340</u>	<u>9,055</u>
Total support costs	<u>1,546,663</u>	<u>1,546,663</u>	<u>1,576,841</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

8 STAFF

Staff costs

	2020/21	2019/20
	£	£
Staff costs during the year were:		
Wages and salaries	3,384,543	3,304,860
Social security costs	320,880	320,850
Pension costs	<u>826,004</u>	<u>777,521</u>
	4,531,427	4,403,231
Supply staff costs	127,759	88,658
Staff restructuring costs	<u>4,200</u>	<u>8,800</u>
	<u>4,663,386</u>	<u>4,500,689</u>
	2021	2020
	£	£
Staff restructuring costs comprise:		
Redundancy payments	<u>4,200</u>	<u>8,800</u>

Staff numbers

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

	2020/21	2019/20
	No	No
Charitable activities		
Teachers	52	52
Administration and support	37	37
Management	<u>2</u>	<u>2</u>
	<u>91</u>	<u>91</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

8 STAFF (continued)

Staff numbers

The number of persons (including senior management team) employed by the academy during the year expressed as full time equivalents was as follows:

	2020/21 No	2019/20 No
Charitable activities		
Teachers	52	52
Administration and support	37	35
Management	2	2
	<u>91</u>	<u>89</u>

Higher paid staff

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

	2020/21 No	2019/20 No
£60,001 - £70,000	2	-
£70,001 - £80,000	3	2
£80,001 - £90,000	-	1
£90,001 - £100,000	<u>1</u>	<u>-</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on pages 1 and 2. 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 £737,723 (2020: £689,196).

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

9 RELATED PARTY TRANSACTIONS - GOVERNORS' REMUNERATION AND EXPENSES

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

Mrs C E Wallace (staff governor):

Remuneration: £25,000 - £30,000 (2020 - £15,000 - £20,000)

Employer's pension contributions: £5,000 - £10,000 (2020 - £0 - £5,000)

Mrs A D Bradshaw (staff governor):

Remuneration: (2020 - £0 - £5,000)

Employer's pension contributions: (2020 - £0 - £5,000)

Ms V J Jackson (Headteacher):

Remuneration: £90,000 - £95,000 (2020 - £85,000 - £90,000)

Employer's pension contributions: £20,000 - £25,000 (2020 - £20,000 - £25,000)

Mr B McArdle (staff governor):

Remuneration: £50,000 - £55,000 (2020 - £45,000 - £50,000)

Employer's pension contributions: £10,000 - £15,000 (2020 - £10,000 - £15,000)

Mrs K Cavanagh (staff governor):

Remuneration: £20,000 - £25,000 (2020 - £20,000 - £25,000)

Employer's pension contributions: £0 - £5,000 (2020 - £0 - £5,000)

Other related party transactions involving the trustees are set out in note 24.

10 GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £209 (2020 - £235).

The cost of this insurance is included in the total insurance cost.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

11 TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Computer Equipment £	Plant, Machinery and Motor Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost					
At 1 September 2020	10,685,396	106,042	153,915	188,741	11,134,094
Disposals	-	(11,075)	(1,000)	(5,862)	(17,937)
At 31 August 2021	<u>10,685,396</u>	<u>94,967</u>	<u>152,915</u>	<u>182,879</u>	<u>11,116,157</u>
Depreciation					
At 1 September 2020	3,524,661	106,042	136,415	159,834	3,926,952
Charge for the year	400,801	-	13,113	17,108	431,022
Eliminated on disposals	-	(11,075)	(908)	(4,311)	(16,294)
At 31 August 2021	<u>3,925,462</u>	<u>94,967</u>	<u>148,620</u>	<u>172,631</u>	<u>4,341,680</u>
Net book value					
At 31 August 2021	<u>6,759,934</u>	<u>-</u>	<u>4,295</u>	<u>10,248</u>	<u>6,774,477</u>
At 31 August 2020	<u>7,160,735</u>	<u>-</u>	<u>17,500</u>	<u>28,907</u>	<u>7,207,142</u>

12 STOCK

	2021 £	2020 £
Catering	1,371	2,567
Livestock	<u>1,840</u>	<u>1,360</u>
	<u>3,211</u>	<u>3,927</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

13 DEBTORS

	2021	2020
	£	£
Trade debtors	2,412	11,843
VAT recoverable	33,248	19,983
Prepayments and accrued income	<u>309,724</u>	<u>110,259</u>
	<u>345,384</u>	<u>142,085</u>

14 CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	150,665	69,933
Other creditors	9,784	-
Accruals	18,882	29,107
Deferred income	<u>27,072</u>	<u>24,356</u>
	<u>206,403</u>	<u>123,396</u>

	2021	2020
	£	£
Deferred income		
Deferred income at 1 September 2020	24,356	103,946
Resources deferred in the period	27,072	24,356
Amounts released from previous periods	<u>(24,356)</u>	<u>(103,946)</u>
Deferred income at 31 August 2021	<u>27,072</u>	<u>24,356</u>

At the balance sheet date the academy trust was holding funds received in advance for grants relating to the next financial year, school fund income relating to school trips to be undertaken in the next school year and funds paid for music lessons to be undertaken in the next school year.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

15 FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	358,881	4,788,745	(4,586,879)	(118,288)	442,459
Pupil premium	-	144,793	(144,793)	-	-
Other DfE/ESFA grants	(5,364)	118,610	(112,426)	-	820
Special educational needs	-	182,946	(182,946)	-	-
Catering income	-	88,276	(206,564)	118,288	-
General	-	41,516	(31,516)	-	10,000
Other	16,981	68,273	(75,518)	-	9,736
Maths Hub	-	18,249	(18,249)	-	-
FSM grant	-	18,572	(18,572)	-	-
Coronavirus Job Retention Scheme grant	-	1,545	(1,545)	-	-
Teachers pension grant	-	184,880	(184,880)	-	-
Catch-up premium	-	67,000	(67,000)	-	-
Other DfE/ESFA COVID-19 funding	-	17,855	(17,855)	-	-
Other COVID-19 funding	-	50,159	(50,159)	-	-
Donations	-	30,000	(30,000)	-	-
	<u>370,498</u>	<u>5,821,419</u>	<u>(5,728,902)</u>	<u>-</u>	<u>463,015</u>
Restricted fixed asset funds					
DfE/ESFA funding	7,207,142	198,402	(441,662)	-	6,963,882
Restricted pension funds					
Pension reserve	<u>(4,042,000)</u>	<u>-</u>	<u>(184,000)</u>	<u>(598,000)</u>	<u>(4,824,000)</u>
Total restricted funds	3,535,640	6,019,821	(6,354,564)	(598,000)	2,602,897
Unrestricted funds					
Unrestricted general funds	<u>351,064</u>	<u>59,051</u>	<u>-</u>	<u>-</u>	<u>410,115</u>
Total funds	<u>3,886,704</u>	<u>6,078,872</u>	<u>(6,354,564)</u>	<u>(598,000)</u>	<u>3,013,012</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

15 FUNDS (continued)

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

GAG must be used for the normal running costs of the academy. Under the funding agreement with the secretary of state, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Restricted general funds relates to the academy trust's development and operational activities.

Other restricted general funds relate to the school fund transactions within the year. This fund is for school trips.

The transfer between restricted funds is to reflect the overspend on catering restricted funds, which has been funded from the GAG funding.

The pension reserve relates to the academy trust's share of the deficit of the LGPS.

The restricted fixed asset funds represent the net book value of the academy trust's fixed assets of £6,774,477 and £189,405 for the balance of CIF funding awarded in the financial year and carried forward to spend in the next financial year.

At the end of the comparative financial year the balance on Other DfE/ESFA grants was a deficit amount of £5,364. This represented an overspend on the Formula Capital grant funding received in year, as a result of additional resources needing to be purchased during the academy's COVID-19 lockdown. The funding received in the financial year recovered this deficit.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

15 FUNDS (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	200,765	4,798,775	(4,640,659)	-	358,881
Pupil premium	-	146,549	(146,549)	-	-
Other DfE/ESFA grants	1,469	292,273	(299,106)	-	(5,364)
Special educational needs	-	151,702	(151,702)	-	-
Catering income	-	172,954	(252,503)	79,549	-
General	12,283	14,708	(26,991)	-	-
Other	6,474	36,825	(26,318)	-	16,981
Maths Hub	-	17,748	(17,748)	-	-
CIF - Gas installation works	2,808	-	(2,808)	-	-
FSM grant	-	3,520	(3,520)	-	-
Coronavirus Job Retention Scheme grant	-	2,082	(2,082)	-	-
	<u>223,799</u>	<u>5,637,136</u>	<u>(5,569,986)</u>	<u>79,549</u>	<u>370,498</u>
Restricted fixed asset funds					
DfE/ESFA funding	7,643,126	-	(435,984)	-	7,207,142
Restricted pension funds					
Pension reserve	<u>(3,924,000)</u>	<u>-</u>	<u>(199,000)</u>	<u>81,000</u>	<u>(4,042,000)</u>
Total restricted funds	3,942,925	5,637,136	(6,204,970)	160,549	3,535,640
Unrestricted funds					
Unrestricted general funds	<u>386,261</u>	<u>121,274</u>	<u>(76,922)</u>	<u>(79,549)</u>	<u>351,064</u>
Total funds	<u>4,329,186</u>	<u>5,758,410</u>	<u>(6,281,892)</u>	<u>81,000</u>	<u>3,886,704</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	6,774,477	6,774,477
Current assets	410,115	669,418	189,405	1,268,938
Current liabilities	-	(206,403)	-	(206,403)
Pension scheme liability	-	(4,824,000)	-	(4,824,000)
Total net assets	410,115	(4,360,985)	6,963,882	3,013,012

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	7,207,142	7,207,142
Current assets	351,064	493,894	-	844,958
Current liabilities	-	(123,396)	-	(123,396)
Pension scheme liability	-	(4,042,000)	-	(4,042,000)
Total net assets	351,064	(3,671,502)	7,207,142	3,886,704

17 COMMITMENTS UNDER OPERATING LEASES

Operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	3,995	865
Amounts due between one and five years	14,466	2,810
	18,461	3,675

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

**18 RECONCILIATION OF NET EXPENDITURE TO NET CASH INFLOW/(OUTFLOW)FROM
OPERATING ACTIVITIES**

	2020/21	2019/20
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(275,692)	(523,482)
Depreciation [note 11]	431,022	434,067
Capital grants from DfE and other capital income	(198,402)	-
Interest receivable [note 5]	(109)	(428)
Defined benefit pension scheme cost less contributions payable [note 23]	106,000	123,000
Defined benefit pension scheme finance cost [note 23]	78,000	76,000
Decrease in stocks	716	335
Increase in debtors	(203,299)	(9,494)
Increase/(decrease) in creditors	83,007	(219,828)
Loss on disposal of tangible fixed assets	<u>1,143</u>	<u>1,917</u>
Net cash provided by/(used in) operating activities	<u>22,386</u>	<u>(117,913)</u>

19 CASH FLOWS FROM INVESTING ACTIVITIES

	2020/21	2019/20
	£	£
Dividends, interest and rents from investments	109	428
Proceeds from sale of tangible fixed assets	500	-
Capital grants from DfE/ESFA	<u>198,402</u>	<u>-</u>
Net cash provided by investing activities	<u>199,011</u>	<u>428</u>

20 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Cash in hand and at bank	<u>920,343</u>	<u>698,946</u>
Total cash and cash equivalents	<u>920,343</u>	<u>698,946</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

21 ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	698,946	221,397	920,343
	-	-	-
Total	<u>698,946</u>	<u>221,397</u>	<u>920,343</u>

22 MEMBERS' LIABILITY

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

23 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 Cumbria Local Government. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2019.

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

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 academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both 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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

23 PENSION AND SIMILAR OBLIGATIONS (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. Assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £561,600 (2020: £554,006).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust 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 2021 was £321,882 (2020 - £275,896), of which employer's contributions totalled £265,468 (2020 - £223,439) and employees' contributions totalled £56,414 (2020 - £52,457). The agreed contribution rates for future years are 19.1% for employers and between 5.5% and 12.5% for employees.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

23 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 academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The academy has entered into an agreement to make additional contributions to the scheme to cover the deficit position. The total additional contributions paid in the financial year amounted to £90,175. The agreement also continues for future financial years with the contributions due to amount to £92,317 and £54,600 for the financial years ending 31 August 2022 and 31 August 2023 respectively. The current agreement ends on 31 March 2023.

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	4.30	3.80
Rate of increase for pensions in payment/inflation	2.90	2.40
Discount rate for scheme liabilities	1.70	1.80
Inflation assumptions (CPI)	<u>2.80</u>	<u>2.30</u>

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

	2021	2020
Retiring today		
Males retiring today	22.70	22.60
Females retiring today	25.30	25.20
Retiring in 20 years		
Males retiring in 20 years	24.30	24.20
Females retiring in 20 years	<u>27.20</u>	<u>27.10</u>

Sensitivity analysis

	2021	2020
	£	£
Discount rate +0.1%	4,592,000.00	3,851,000.00
Discount rate -0.1%	5,062,000.00	4,238,000.00
Mortality rate 1 year increase	5,128,000.00	4,268,000.00
Mortality rate 1 year decrease	4,529,000.00	3,822,000.00
CPI rate +0.1%	5,062,000.00	4,238,000.00
CPI rate -0.1%	<u>4,592,000.00</u>	<u>3,851,000.00</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

23 PENSION AND SIMILAR OBLIGATIONS (continued)

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

	2021	2020
	£	£
Equities	1,931,000	1,378,000
Government bonds	848,000	773,000
Other bonds	-	8,000
Property	375,000	219,000
Cash and other liquid assets	187,000	386,000
Other	1,587,000	1,219,000
Total market value of assets	<u>4,928,000</u>	<u>3,983,000</u>

The actual return on scheme assets was £690,000 (2020 - £(11,000)).

Amounts recognised in the Statement of Financial Activities

	2020/21	2019/20
	£	£
Current service cost (net of employee contributions)	315,000	292,000
Past service cost	-	2,000
Interest cost	71,000	69,000
Admin expenses	7,000	7,000
Total amount recognised in the SOFA	<u>393,000</u>	<u>370,000</u>

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

	2020/21	2019/20
	£	£
At start of period	8,025,000	7,569,000
Current service cost	371,000	344,000
Interest cost	145,000	137,000
Employee contributions	56,000	52,000
Actuarial (gain)/loss	1,215,000	(57,000)
Benefits paid	(60,000)	(22,000)
Past service cost	-	2,000
At 31 August	<u>9,752,000</u>	<u>8,025,000</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
(CONTINUED)**

23 PENSION AND SIMILAR OBLIGATIONS (continued)

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

	2020/21	2019/20
	£	£
At start of period	3,983,000	3,645,000
Interest income	74,000	68,000
Actuarial gain/(loss)	617,000	24,000
Employer contributions	265,000	223,000
Employee contributions	56,000	52,000
Benefits paid	(60,000)	(22,000)
Administration expenses	<u>(7,000)</u>	<u>(7,000)</u>
At 31 August	<u>4,928,000</u>	<u>3,983,000</u>

24 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.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.

25 AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the academy trust received £12,272 and disbursed £2,488 from the fund. An amount of £9,784 is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2020 are £9,818 received, £9,818 disbursed and £Nil included in other creditors.

26 CORONAVIRUS PANDEMIC

The main impact of the Coronavirus (COVID-19) pandemic was seen in March 2020 and is still currently ongoing. The impact of this pandemic on the academy has been discussed and disclosed in the Governors' report this year.