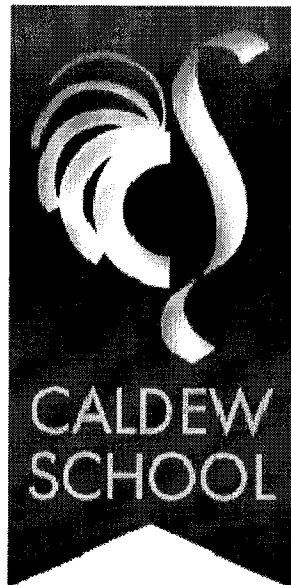


**COMPANY REGISTRATION NUMBER 07680823
(England and Wales)**

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2023**



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

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

CONTENTS

	Pages
Reference and administrative details	1 to 2
Governors' report	3 to 16
Governance statement	17 to 23
Statement on regularity, propriety and compliance	24
Statement of governors' responsibilities	25
Independent auditor's report on the financial statements to the members of Caldew School	26 to 29
Independent reporting accountant's assurance report on regularity to Caldew School and the ESFA	30 to 31
Statement of financial activities (incorporating the income and expenditure account)	32 to 33
Balance sheet	34 to 35
Statement of cash flows	36
Notes to the financial statements	37 to 62
Statement of accounting policies	37-42
Other notes to the financial statements	42 - 62

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mrs J M Wilkinson, (Chair of Governors)
Mrs J E Doherty
Mr D B Craig (resigned 30 December 2022)
Ms T Z Abbas
Mr M Smillie
Mr A R Smith (appointed 5 July 2023)

**Governors and
trustees**

Mrs J M Wilkinson *, (First Governor) (Chair of Governors)
Mr D B Craig *, (First Governor) (resigned 30 December 2022)
Ms V J Jackson *, (Accounting Officer)
Mr B McArdle, (Staff Governor)
Miss L P Birch, (Community Governor)
Mr M Smillie *, (First Governor) (resigned 1 September 2022)
Mrs V Lawson *, (Parent Governor) (resigned 12 July 2023)
Mrs C E Wallace *, (Staff Governor)
Mr S Tweedie, (Community Governor) (resigned 20 February 2023)
Mr S Cooper, (Parent Governor) (resigned 23 September 2022)
Mr G P Smith *, (Community Governor)
Mr B Keal *, (Staff Governor)
Ms K Warwick *, (Parent Governor)
Mrs H L Tancred, (Parent Governor) (appointed 14 October 2022)
Mr C Coady, (Parent Governor) (appointed 14 October 2022)
Mrs S M Sims, (First Governor) (appointed 20 January 2023)
Mrs V Lawson *, (Community Governor) (appointed 12 July 2023)

* Finance and Resources Committee

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

Governors	Mr J M Ruddick, (Parent Governor) (appointed 30 October 2023)
Company secretary	Mrs L E Hollywood *
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) Mrs L E Hollywood, (Business Manager) (appointed 1 September 2023) Mrs G Howes, (Business Manager) (resigned 31 August 2023)
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	Just People The Annexe Blencathra House Graham Street Penrith CA11 9LE

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The academy trust operates an academy for pupils aged 11 to 18 serving a rural catchment area in north Cumbria. It has a pupil capacity of 1,050 and had a roll of 967 in the school census in January 2023.

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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (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).

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (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.

CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (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 Resources - budget, financial procedures, best value, significant virements, contracts, HR, pay and conditions, appraisal, health and safety, maintenance, building development, accessibility. (Chair - Mr G P Smith)
- Student Welfare and Guidance - Pastoral care, trips / visits, admissions, safeguarding, pupil premium, SEND. (Chair - Miss L P Birch)
- Progress and Standards - curriculum, student attainment / progress, teaching and learning. (Chair - Mrs S M Sims)

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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (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

100%

**Number of
employees**

1

Percentage of pay bill spent on facility time

2023

£

Provide the total cost of facility time

13,659

Provide the total pay bill

5,170,796

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

2023

%

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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (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, energy costs, 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.

The Finance and Resources 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 Resources Committee, along with an appropriate action plan to address any highlighted areas for improvement in practice.

The Finance and Resources 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

Caldew 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.

CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (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 2021-2024 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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (CONTINUED)

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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (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.

Examination results for this academic year were good. The school has continued its track record of achieving strong A level results and the results were in line with those in 2019. The average points score increased and was 34.7 and the average grade was up to C+. The average points score for Applied General courses was 34.09 with an average grade of Distinction. 62% of Year 13 secured a University place, 9% went on to apprenticeships and 14% have jobs.

At GCSE, exam results improved on the performance of 2019. Basics at 4+ was 65% and at 5+ 38%. The percentage achieving EBacc at standard pass was 30% and at strong pass 19%. Progress 8 is expected to be in line. 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 has improved and is above national figures but still below pre-Covid levels.

The school was subject to an OFSTED inspection on 21 and 22 June 2022 and was judged as Good. The areas for improvement identified in the OFSTED report have been incorporated into the School Development Plan.

The school received £43,722 in Catch Up funding that was spent on providing additional support to students to help them catch up on lost learning. The school also received £18,913 for the National Tutoring Programme that was spent on additional tuition for identified students.

The school has used its budgetary resources to fund the maintenance work of the premises. The Governors had agreed in 2021-22 to £250,000 being released from reserves to allow the schools ICT infrastructure to be upgraded. This project is a rolling programme, with some expenditure incurred in 2022-23. We committed to improving the student toilets in 2021-22 and £211,817 from reserves being used for this project. The spend was in 2022-23.

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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (CONTINUED)

STRATEGIC REPORT

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 majority of expenditure that occurs is through staffing costs. There was a £55,000 overspend on Teaching Staff and £71,500 underspend on Educational Support Staff. This offset the £25,000 overspend in agency supply costs.

The other areas of negative variance that occurred were a £31,500 overspend as a cumulative total for Building Maintenance and Servicing for routine items. Catering Supplies £18,000 and Catering Staffing costs of £8,500. However, this was offset by an additional £35,000 income as catering uptake continues to increase after Covid-19. There was £41,000 overspend in Professional Services external. The largest overspend was £75,000 in Professional Services Curriculum which is accountable to unpredicted alternative provision costs.

There was a £253,500 spend from reserves which was through prior agreement with Governors.

There were underspends as noted in Educational Support Staff and Pupil Premium of £14,000 which will carry forward to 2023/24.

Additional income was received from ESFA of £141,500 through the maintained schools additional grant and LA income of £22,000 for increased EHCP values.

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, energy costs and possible increased pension costs. In addition, the school saw an increase in pupil numbers of 6 which will have a small impact on income in 2023-24. Areas already identified for 2023-24 include potentially reduced costs associated with the energy prices, changes to the LGPS scheme where it is confirmed that there is a significant reduction in the lump sum deficit payments. However this is offset with a known increase in pay awards for teaching and support staff. The school has prepared and submitted a 3 year budget to the ESFA that shows the impact of these financial pressures over the next 3 years. The 2023-24 budget has been set as a balanced budget.

CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (CONTINUED)

STRATEGIC REPORT

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 comply with the ESFA Academy Trust Handbook with an annual review following notification of updates. The school also retains a Financial Regulations Manual which incorporates the standard procedures. 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. A separate statement of internal control and best value is reviewed annually.

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 and other minor grants. The school receives "top-up" SEN funding from Cumbria Local Authority. The private income generated by the school is predominately raised through the provision of letting of its sporting facilities.

The school is in a 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 2023 total income amounted to £6,796,380 (2022: £6,289,488) and total expenditure was £7,262,072 (2022: £7,200,841). This resulted in net expenditure before transfers and other gains and losses (and after accounting for depreciation charges of £422,153) of £465,692 (2022: £911,353).

At 31 August 2023 the net book value of fixed assets was £6,156,920 (2022: £6,367,256) 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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (CONTINUED)

STRATEGIC REPORT

Reserves Policy

The academy trust ran at an overall surplus of £375,308 for the year. This was after accounting for depreciation of £422,153 and an actuarial gain on the local government pension scheme of £841,000. At the year end the total funds carried forward amounted to £6,722,967 which included unrestricted funds of £355,479 and restricted general funds of £204,153, not including the pension asset which has not been recognised within the accounts.

The academy trust had achieved a cumulative surplus of unrestricted funds of £355,479 by the end of 2022/23 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 £115,589 has been set aside for the replacement of the schools astro-turf pitch and multi-gym equipment. A sum of £15,000 will be added each year to allow for replacement costs of these capital intense teaching spaces.

The academy is paying pension contributions to the LGPS and as a result of the year end actuarial valuation there is a surplus on the scheme. The academy trust has entered into an agreement to make additional contributions to the scheme to cover any future deficit position. Details of this agreement can be found in note 24.

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

At the year end the academy trust had an overall carried forward surplus, available to spend of £404,351. 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 they need to be held will be amended.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (CONTINUED)

STRATEGIC REPORT

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.

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 2025.

The academy set a balanced budget for 2023-24. For all major risks such as fire, legal claims and threats to the building fabric, the school carries full insurance. 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 2023-24 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:

- Quality of Education
- Effective Leadership
- Behaviour and Personal Development
- Every Child Achieves
- Sixth Form

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (CONTINUED)

STRATEGIC REPORT

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

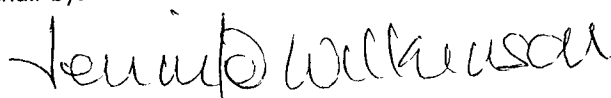
- Evaluation of premises improvements
- Academy development
- Actions as identified in internal auditor report and audit management report
- ICT infrastructure

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.

The Governors' report, incorporating a Strategic Report, was approved by order of the members of the governing body, as the company directors, on 4 December 2023 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)	6	6
Mr B McArdle, (Staff Governor)	5	6
Mr B Keal *, (Staff Governor)	3	6
Mr D B Craig (resigned 30 December 2022)	2	2
Ms V J Jackson *, (Accounting Officer)	6	6
Mrs V Lawson *, (Parent Governor) (resigned 12 July 2023)	4	6
Mrs C E Wallace *, (Staff Governor)	4	6
Miss L P Birch, (Community Governor)	2	6
Mr G P Smith *, (Community Governor)	3	6
Mr S Tweedie, (Community Governor) (resigned 20 February 2023)	0	3
Mrs H L Tancred, (Parent Governor) (appointed 14 October 2022)	3	5
Mr C Coady, (Parent Governor) (appointed 14 October 2022)	4	5
Mrs S M Sims, (First Governor) (appointed 20 January 2023)	4	4
Ms K Warwick *, (Parent Governor)	4	6
Mr S Cooper, (Parent Governor) (resigned 23 September 2022)	0	6

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNANCE STATEMENT (CONTINUED)

The governing body has seen some movement in membership as is normal over the accounting period. An audit of skills was completed in 2022/23. 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. Mrs H L Tancred and Mr C Coady were elected as Parent Governors in October 2022. Mr D B Craig resigned as a Member and Governor in December 2022. Mrs S M Sims was appointed as a First Governor in January 2023. Mr S Tweedie resigned in February 2023. Mr A R Smith was appointed as a Member in July 2023. Mrs V Lawson's term of office as Parent Governor ended in July 2023 and she was appointed as a Community Governor.

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

Conflicts of interest

The academy trust collects business interest declarations from all trustees at the beginning of the academic year. This is then reinforced by any other interests declared before each and every board meeting, full governing body meetings and committee meetings and any conflicts are identified and managed accordingly.

Governance reviews

Details of the governance reviews undertaken during the year can be found in the purpose of the system of internal control section of this report.

CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE

GOVERNANCE STATEMENT (CONTINUED)

The Finance and Resources Committee is a sub-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 4 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 Resources 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 G P Smith *, (Community Governor)	4	4
Mr D B Craig *, (First Governor) (resigned 30 December 2022)	2	2
Ms V J Jackson *, (Accounting Officer)	4	4
Mrs V Lawson *, (Parent Governor) (resigned 12 July 2023)	3	4
Mrs S M Sims, (First Governor) (appointed 20 January 2023)	1	1
Mrs H L Tancred, (Parent Governor) (appointed 14 October 2022)	2	2
Mrs J M Wilkinson *, (First Governor) (Chair of Governors)	4	4

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, as well as estates safety and management, 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 or by using a framework where appropriate. 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.

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 an audit. 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 2022 to 31 August 2023 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 yearly internal scrutiny process to look at areas identified by members. This uses the schools risk register to identify the focus for the internal scrutiny. During the academic year 2022-23 one internal scrutiny took place on governance. This was carried out by Dodd and Co. The report recommended some minor actions which are being addressed. Dodd and Co also completed the internal scrutiny focussing on the procedures and controls relating to budget monitoring, income and expenditure, payroll, bank accounts and fixed assets. A total of sixteen recommendations were identified, eleven with a low priority rating and five at medium. These recommendations have been considered by Members and are being actioned as necessary.

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 year 1 September 2022 to 31 August 2023 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 Resources 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 considered the need for a specific internal audit function and has decided to appoint an internal auditor. To fulfil this role the governors have appointed Dodd and Co, Accountants, as Internal Auditors. This role includes giving advice on; financial and other matters and performing a range of checks on the academy trust's financial systems. The internal auditors 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 has highlighted some improvements to the internal systems and these are being actioned as necessary by the relevant staff.

Review of effectiveness

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

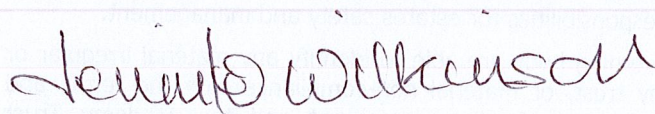
- the work of the internal auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditor;
- correspondence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

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 Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

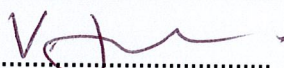
**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the governing body on 4 December 2023 and signed on its behalf by:



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



.....
Ms V J Jackson
Accounting Officer
Governor and Trustee

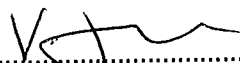
**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

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, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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 Academy Trust Handbook 2022.

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



.....
Ms V J Jackson
Accounting Officer

4 December 2023

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:

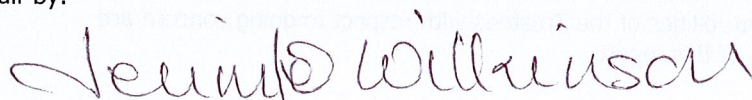
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom 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 4 December 2023 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 2023, 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 2022 to 2023 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 2023 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 2022 to 2023.

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 and proper 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 (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**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.

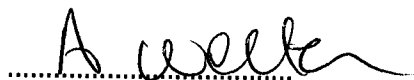
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**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

4 December 2023

**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 2022 to 2023, 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 2022 to 31 August 2023 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 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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.
- Undertaking a review of the internal auditor's report and matters raised from this work and consideration of actions taken in response.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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

Dalmar House
Barras Lane Estate
Dalston
Carlisle
CA5 7NY

4 December 2023

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2022/23 Total £
Income from:					
Donations and capital grants	2	-	-	39,323	39,323
Other trading activities	4	108,547	-	-	108,547
Investments	5	107	-	-	107
<i>Charitable activities:</i>					
Funding for the academy trust's educational operations	3	-	6,648,403	-	6,648,403
Total		108,654	6,648,403	39,323	6,796,380
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	6, 7	41,683	6,765,328	455,061	7,262,072
Total		41,683	6,765,328	455,061	7,262,072
Net income/(expenditure)		66,971	(116,925)	(415,738)	(465,692)
Transfers between funds		(211,817)	-	211,817	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	24	-	841,000	-	841,000
Net movement in funds		(144,846)	724,075	(203,921)	375,308
Reconciliation of funds					
Total funds brought forward at 1 September 2022		500,325	(519,922)	6,367,256	6,347,659
Total funds carried forward at 31 August 2023	15	355,479	204,153	6,163,335	6,722,967

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2021/22 Total £
Income from:					
Other trading activities	4	90,089	-	-	90,089
Investments	5	121	-	-	121
<i>Charitable activities:</i>					
Funding for the academy trust's educational operations	3	-	6,199,278	-	6,199,278
Total		90,210	6,199,278	-	6,289,488
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	6, 7	-	6,793,620	407,221	7,200,841
Total		-	6,793,620	407,221	7,200,841
Net income/(expenditure)		90,210	(594,342)	(407,221)	(911,353)
Transfers between funds		-	189,405	(189,405)	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	24	-	4,246,000	-	4,246,000
Net movement in funds		90,210	3,841,063	(596,626)	3,334,647
Reconciliation of funds					
Total funds brought forward at 1 September 2021		410,115	(4,360,985)	6,963,882	3,013,012
Total funds carried forward at 31 August 2022	15	500,325	(519,922)	6,367,256	6,347,659

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

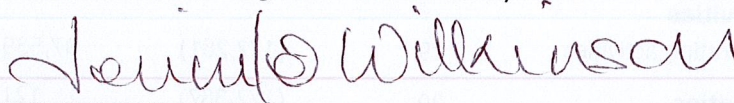
BALANCE SHEET AS AT 31 AUGUST 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	11		6,156,920		6,367,256
Current assets					
Stocks	12	4,171		3,799	
Debtors	13	325,432		132,191	
Cash at bank and in hand		<u>673,355</u>		<u>1,018,003</u>	
		1,002,958		1,153,993	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(436,911)</u>		<u>(327,590)</u>	
Net current assets			<u>566,047</u>		<u>826,403</u>
Total assets less current liabilities			<u>6,722,967</u>		<u>7,193,659</u>
Net assets excluding pension liability			6,722,967		7,193,659
Defined benefit pension scheme liability	24		<u>-</u>		<u>(846,000)</u>
Total net assets			<u>6,722,967</u>		<u>6,347,659</u>
Funds of the academy trust:					
Restricted funds					
Restricted general fund	15	204,153		326,078	
Restricted fixed asset fund	15	6,163,335		6,367,256	
Restricted pension fund	15	<u>-</u>		<u>(846,000)</u>	
		6,367,488		5,847,334	
Unrestricted funds					
Unrestricted general fund	15	<u>355,479</u>		<u>500,325</u>	
Total funds			<u>6,722,967</u>		<u>6,347,659</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET AS AT 31 AUGUST 2023 (CONTINUED)

The financial statements on pages 32 to 62 were approved by the trustees and authorised for issue on 4 December 2023 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 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(172,261)	97,539
Cash flows from investing activities	20	<u>(172,387)</u>	<u>121</u>
Change in cash and cash equivalents in the reporting period		(344,648)	97,660
Cash and cash equivalents at 1 September 2022		<u>1,018,003</u>	<u>920,343</u>
Cash and cash equivalents at 31 August 2023	21, 22	<u><u>673,355</u></u>	<u><u>1,018,003</u></u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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 2022 to 2023 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 2023
(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 2023
(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 2023
(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 2023
(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 to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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 2023
(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 asset/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 24, will impact on the carrying amount of the pension asset/liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset/liability. During this financial year the actuarial valuation of the scheme has resulted in the calculation of an asset, as opposed to a liability position. The asset can only be recognised within the accounts if the academy is able to recover the surplus through reduced contributions in the future, or through refunds from the plan. Having reviewed the actuary information, along with the scheme rules, we have concluded that the asset cannot be recognised, as there is no certainty of reduced contributions or a refund.

Agency arrangements

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 26.

2 DONATIONS AND CAPITAL GRANTS

	Restricted Fixed Asset Funds £	2022/23 Total £	2021/22 Total £
Energy Efficiency grant	<u>39,323</u>	<u>39,323</u>	<u>-</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

3 FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES

Educational operations

	Restricted funds £	2022/23 Total £	2021/22 Total £
DfE/ESFA grants			
General Annual Grant (GAG)	5,424,840	5,424,840	5,126,826
Capital grants (Formula capital)	20,858	20,858	20,445
Pupil premium	145,126	145,126	154,280
Teachers pension grant	24,908	24,908	23,148
Other DfE/ESFA grants	56,227	56,227	131,258
Supplementary grant	146,096	146,096	60,699
Maintain School grant	72,229	72,229	-
	<u>5,890,284</u>	<u>5,890,284</u>	<u>5,516,656</u>
Other government grants			
Local authority grants	43,535	43,535	10,800
Special educational projects	296,386	296,386	279,339
Local authority funding - Pupil Premium	6,943	6,943	20,270
	<u>346,864</u>	<u>346,864</u>	<u>310,409</u>
Non-government grants and other income			
Exam fees income	774	774	227
Curriculum income	10,119	10,119	4,826
Other grant income and funding	25,869	25,869	43,166
Catering income	263,157	263,157	237,324
School fund/trip income	63,120	63,120	81,889
Other	4,494	4,494	2,671
	<u>367,533</u>	<u>367,533</u>	<u>370,103</u>
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	43,722	43,722	-
COVID-19 additional funding (non-DfE/ESFA)			
Other COVID-19 funding	<u>-</u>	<u>-</u>	<u>2,110</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

3 FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES (continued)

	Restricted funds £	2022/23 Total £	2021/22 Total £
Total grants	<u>6,648,403</u>	<u>6,648,403</u>	<u>6,199,278</u>

4 OTHER TRADING ACTIVITIES

	Unrestricted Funds £	2022/23 Total £	2021/22 Total £
Hire of facilities	52,705	52,705	56,112
Music tuition	22,337	22,337	25,000
Rental income	3,120	3,120	3,120
Other miscellaneous income	<u>30,385</u>	<u>30,385</u>	<u>5,857</u>
	<u>108,547</u>	<u>108,547</u>	<u>90,089</u>

5 INVESTMENT INCOME

	Unrestricted Funds £	2022/2023 Total £	2021/22 Total £
Bank interest receivable	<u>107</u>	<u>107</u>	<u>121</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

6 EXPENDITURE

	Non Pay Expenditure			2022/23	2021/22
	Staff costs	Premises	Other costs	Total	Total
	£	£	£	£	£
Academy's educational operations					
Direct costs	4,400,250	422,153	443,234	5,265,637	5,229,632
Allocated support costs	911,473	689,098	395,864	1,996,435	1,971,209
	<u>5,311,723</u>	<u>1,111,251</u>	<u>839,098</u>	<u>7,262,072</u>	<u>7,200,841</u>

Net income/(expenditure) for the year includes:

	2022/23	2021/22
	£	£
Operating lease rentals	3,995	4,777
Depreciation	422,153	407,026
Fees payable to auditor - audit	4,800	4,700
(Gain)/loss on disposal of fixed assets	-	195
Fees payable to auditor - other services	<u>10,930</u>	<u>11,911</u>

Included within expenditure are the following transactions.

	Total £	Individual items above £5,000	
		Amount £	Reason
Unrecoverable debts	68	-	

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

7 CHARITABLE ACTIVITIES

		Total 2022/23 £	Total 2021/22 £
Direct costs - educational operations		5,265,637	5,229,632
Support costs - educational operations		<u>1,996,435</u>	<u>1,971,209</u>
		<u>7,262,072</u>	<u>7,200,841</u>
	Educational operations £	2022/23 Total £	2021/22 Total £
Analysis of support costs			
Support staff costs	911,473	911,473	853,242
Technology costs	88,129	88,129	92,201
Premises costs	689,098	689,098	739,560
Legal costs - other	10,668	10,668	17,793
Other support costs	279,672	279,672	256,533
Governance costs	<u>17,395</u>	<u>17,395</u>	<u>11,880</u>
Total support costs	<u>1,996,435</u>	<u>1,996,435</u>	<u>1,971,209</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

8 STAFF

a. Staff costs

	2022/23	2021/22
	£	£
Staff costs during the year were:		
Wages and salaries	3,885,064	3,546,979
Social security costs	382,996	354,271
Pension costs	<u>902,733</u>	<u>863,700</u>
	5,170,793	4,764,950
Agency staff costs	140,930	128,680
Staff restructuring costs	<u>-</u>	<u>337</u>
	<u><u>5,311,723</u></u>	<u><u>4,893,967</u></u>
	2022/23	2021/22
	£	£
Staff restructuring costs comprise:		
Severance payments	<u>-</u>	<u>337</u>

b. Severance payments

The academy trust paid - severance payment in the year disclosed in the following bands:

	2022/23	2021/22
	£	£
0 - £25,000	<u>-</u>	<u>1</u>

c. Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £Nil (2022: £337).

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

8 STAFF (continued)

d. Staff numbers

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

	2022/23 No	2021/22 No
Charitable activities		
Teachers	66	62
Administration and support	61	46
Management	<u>2</u>	<u>2</u>
	<u>129</u>	<u>110</u>

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:

	2022/23 No	2021/22 No
Charitable activities		
Teachers	59	59
Administration and support	37	33
Management	<u>2</u>	<u>2</u>
	<u>98</u>	<u>94</u>

e. Higher paid staff

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

	2022/23 No	2021/22 No
£60,001 - £70,000	2	3
£70,001 - £80,000	2	2
£90,001 - £100,000	-	1
£100,001 - £110,000	<u>1</u>	<u>-</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

8 STAFF (continued)

f. 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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £587,577 (2022: £726,399).

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: £45,000 - £50,000 (2022 - £30,000 - £35,000)

Employer's pension contributions: £5,000 - £10,000 (2022 - £5,000 - £10,000)

Mr B Keal * (staff governor):

Remuneration: £25,000 - £30,000 (2022 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2022 - £0 - £5,000)

Ms V J Jackson * (Headteacher):

Remuneration: £100,000 - £105,000 (2022 - £95,000 - £100,000)

Employer's pension contributions: £10,000 - £15,000 (2022 - £20,000 - £25,000)

Mr B McArdle (staff governor):

Remuneration: £50,000 - £55,000 (2022 - £50,000 - £55,000)

Employer's pension contributions: £10,000 - £15,000 (2022 - £10,000 - £15,000)

Mrs K Cavanagh (staff governor):

Remuneration: (2022 - £5,000 - £10,000)

Employer's pension contributions: (2022 - £0 - £5,000)

Other related party transactions involving the trustees are set out in note 25.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

10 GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2023 was £211 (2022 - £211).

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

11 TANGIBLE FIXED ASSETS

2022/2023

	Freehold Land and Buildings £	Computer Equipment £	Plant, Machinery and Motor Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost					
At 1 September 2022	10,685,396	92,867	152,915	176,055	11,107,233
Additions	211,817	-	-	-	211,817
Disposals	-	(970)	(8,000)	(4,250)	(13,220)
At 31 August 2023	<u>10,897,213</u>	<u>91,897</u>	<u>144,915</u>	<u>171,805</u>	<u>11,305,830</u>
Depreciation					
At 1 September 2022	4,326,263	92,867	150,769	170,078	4,739,977
Charge for the year	415,930	-	2,146	4,077	422,153
Eliminated on disposals	-	(970)	(8,000)	(4,250)	(13,220)
At 31 August 2023	<u>4,742,193</u>	<u>91,897</u>	<u>144,915</u>	<u>169,905</u>	<u>5,148,910</u>
Net book value					
At 31 August 2023	<u>6,155,020</u>	<u>-</u>	<u>-</u>	<u>1,900</u>	<u>6,156,920</u>
At 31 August 2022	<u>6,359,133</u>	<u>-</u>	<u>2,146</u>	<u>5,977</u>	<u>6,367,256</u>

The academy trust's transactions relating to land and buildings included:

- property improvements to the student toilets, at a total cost of £211,817.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

12 STOCK

	2023	2022
	£	£
Catering	2,101	2,559
Livestock	2,070	1,240
	<u>4,171</u>	<u>3,799</u>

13 DEBTORS

	2023	2022
	£	£
Trade debtors	161,953	3,677
VAT recoverable	19,897	32,595
Prepayments and accrued income	143,582	95,919
	<u>325,432</u>	<u>132,191</u>

14 CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	122,380	213,107
Other creditors	37,544	3,725
Accruals	44,065	84,383
Deferred income	232,922	26,375
	<u>436,911</u>	<u>327,590</u>
	2023	2022
	£	£

Deferred income

Deferred income at 1 September 2022	26,375	27,072
Resources deferred in the period	232,922	26,375
Amounts released from previous periods	<u>(26,375)</u>	<u>(27,072)</u>
Deferred income at 31 August 2023	<u>232,922</u>	<u>26,375</u>

At the balance sheet date the academy trust was holding funds received in advance for grants relating to the next financial year and school fund income relating to school trips 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 2023
(CONTINUED)

15 FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	305,572	5,424,840	(5,486,740)	(54,211)	189,461
Pupil premium	-	145,126	(145,126)	-	-
Other DfE/ESFA grants	(1,172)	77,085	(77,435)	-	(1,522)
Special educational needs	-	296,386	(296,386)	-	-
Catering income	-	263,157	(317,368)	54,211	-
General	8,780	80,640	(89,420)	-	-
Other	12,898	63,120	(59,804)	-	16,214
Maths Hub	-	11,094	(11,094)	-	-
Teachers pension grant	-	24,908	(24,908)	-	-
Catch-up premium	-	43,722	(43,722)	-	-
Supplementary grant	-	146,096	(146,096)	-	-
Maintain School grant	-	72,229	(72,229)	-	-
	<u>326,078</u>	<u>6,648,403</u>	<u>(6,770,328)</u>	<u>-</u>	<u>204,153</u>
<i>Restricted fixed asset funds</i>					
DfE/ESFA funding	6,367,256	-	(422,153)	211,817	6,156,920
ESFA - Energy Efficiency grant	-	39,323	(32,908)	-	6,415
	<u>6,367,256</u>	<u>39,323</u>	<u>(455,061)</u>	<u>211,817</u>	<u>6,163,335</u>
<i>Pension reserve funds</i>					
Pension reserve	(846,000)	-	5,000	841,000	-
Total restricted funds	<u>5,847,334</u>	<u>6,687,726</u>	<u>(7,220,389)</u>	<u>1,052,817</u>	<u>6,367,488</u>
<i>Unrestricted general funds</i>					
Unrestricted funds	<u>500,325</u>	<u>108,654</u>	<u>(41,683)</u>	<u>(211,817)</u>	<u>355,479</u>
Total funds	<u><u>6,347,659</u></u>	<u><u>6,796,380</u></u>	<u><u>(7,262,072)</u></u>	<u><u>841,000</u></u>	<u><u>6,722,967</u></u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(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 2023.

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 unrestricted funds and restricted fixed assets funds has been reflected to show that the additions to the assets in the year were funded from brought forward unrestricted reserves.

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

The restricted fixed asset funds represent the net book value of the academy trust's fixed assets of £6,156,920 and the remaining unspent Energy Efficiency grant of £6,415.

At the year end the balance on Other DfE/ESFA grants was a deficit of £1,522. This represents an overspend on the Formula Capital grant received in year, as a result of additional resources required and purchased in year. The academy is looking to utilise future funding received for this funding to balance this fund.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

15 FUNDS (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	442,459	5,126,826	(5,225,750)	(37,963)	305,572
Pupil premium	-	154,280	(154,280)	-	-
Other DfE/ESFA grants	820	151,703	(153,695)	-	(1,172)
Special educational needs	-	279,339	(279,339)	-	-
Catering income	-	237,324	(275,287)	37,963	-
General	10,000	51,894	(53,114)	-	8,780
Other	9,736	81,889	(78,727)	-	12,898
Maths Hub	-	30,066	(30,066)	-	-
Teachers pension grant	-	23,148	(23,148)	-	-
Other COVID-19 funding	-	2,110	(2,110)	-	-
CIF funding - roof refurbishment	-	-	(189,405)	189,405	-
Supplementary grant	-	60,699	(60,699)	-	-
	463,015	6,199,278	(6,525,620)	189,405	326,078
<i>Restricted fixed asset funds</i>					
DfE/ESFA funding	6,963,882	-	(407,221)	(189,405)	6,367,256
<i>Pension reserve funds</i>					
Pension reserve	(4,824,000)	-	(268,000)	4,246,000	(846,000)
Total restricted funds	2,602,897	6,199,278	(7,200,841)	4,246,000	5,847,334
<i>Unrestricted general funds</i>					
Unrestricted funds	410,115	90,210	-	-	500,325
Total funds	3,013,012	6,289,488	(7,200,841)	4,246,000	6,347,659

The academy trust is not subject to GAG carried forward limits.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	6,156,920	6,156,920
Current assets	355,479	641,064	6,415	1,002,958
Current liabilities	-	(436,911)	-	(436,911)
Total net assets	<u>355,479</u>	<u>204,153</u>	<u>6,163,335</u>	<u>6,722,967</u>

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	-	-	6,367,256	6,367,256
Current assets	500,325	653,668	-	1,153,993
Current liabilities	-	(327,590)	-	(327,590)
Pension scheme liability	-	(846,000)	-	(846,000)
Total net assets	<u>500,325</u>	<u>(519,922)</u>	<u>6,367,256</u>	<u>6,347,659</u>

17 CAPITAL COMMITMENTS

	2023 £	2022 £
Contracted for, but not provided in the financial statements	<u>-</u>	<u>181,952</u>

There are no capital commitments in this financial year. The amount in 2022 represents the amount contracted for on the toilet refurbishment project which was completed in this financial year.

CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)

18 COMMITMENTS UNDER OPERATING LEASES

Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023	2022
	£	£
Amounts due within one year	3,995	3,995
Amounts due between one and five years	6,476	10,471
	<u>10,471</u>	<u>14,466</u>

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

	2022/23	2021/22
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(465,692)	(911,353)
Depreciation [note 11]	422,153	407,026
Capital grants from DfE and other capital income	(39,323)	-
Interest receivable [note 5]	(107)	(121)
Defined benefit pension scheme cost less contributions payable [note 24]	(44,000)	181,000
Defined benefit pension scheme finance cost [note 24]	39,000	87,000
Increase in stocks	(372)	(588)
(Increase)/decrease in debtors	(193,241)	213,193
Increase in creditors	109,321	121,187
Loss on disposal of tangible fixed assets	-	195
Net cash (used in)/provided by operating activities	<u>(172,261)</u>	<u>97,539</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

20 CASH FLOWS FROM INVESTING ACTIVITIES

	2022/23	2021/22
	£	£
Dividends, interest and rents from investments	107	121
Purchase of tangible fixed assets	(211,817)	-
Capital grants from DfE/ESFA	39,323	-
Net cash (used in)/provided by investing activities	<u>(172,387)</u>	<u>121</u>

21 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Cash in hand and at bank	<u>673,355</u>	<u>1,018,003</u>
Total cash and cash equivalents	<u>673,355</u>	<u>1,018,003</u>

22 ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022	Cash flows	At 31 August 2023
	£	£	£
Cash	<u>1,018,003</u>	<u>(344,648)</u>	<u>673,355</u>
Total	<u>1,018,003</u>	<u>(344,648)</u>	<u>673,355</u>

23 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.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

24 PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Westmorland and Furness Council. 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.

Contributions amounting to £21,254 (2022: £Nil) were payable to the schemes at 31 August and are included within other creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to 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 2024.

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

24 PENSION AND SIMILAR OBLIGATIONS (continued)

The employer's pension costs paid to TPS in the period amounted to £569,304 (2022: £584,000).

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 2023 was £354,431 (2022 - £341,344), of which employer's contributions totalled £285,435 (2022 - £280,629) and employees' contributions totalled £68,996 (2022 - £60,715). The agreed contribution rates for future years are 19.5% for employers and between 5.5% and 12.5% for employees.

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

The actuarial valuation as at 31 August 2023 has resulted in an asset of £354,000, the previous financial year being a liability position. This asset has not been recognised within the financial statements, as it is not probable that this can be recovered.

The academy has entered into an agreement to make additional contributions to the scheme to cover any future deficit position. The total additional contributions paid in the financial year amounted to £73,691. The agreement also continues for future financial years with the contributions due to amount to £35,658 for the financial year ending 31 August 2024 and £21,175 for the financial year ending 31 August 2025. The current agreement ends on 31 March 2025.

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	4.30	4.30
Rate of increase for pensions in payment/inflation	2.90	2.90
Discount rate for scheme liabilities	5.30	4.30
Inflation assumptions (CPI)	<u>2.80</u>	<u>2.80</u>

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

24 PENSION AND SIMILAR OBLIGATIONS (continued)

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

	2023	2022
Retiring today		
Males retiring today	21.40	22.60
Females retiring today	23.80	25.30
Retiring in 20 years		
Males retiring in 20 years	22.70	24.10
Females retiring in 20 years	<u>25.60</u>	<u>27.10</u>

Sensitivity analysis

	2023	2022
	£	£
Discount rate +0.1%	(460,000)	710,000
Discount rate -0.1%	(246,000)	985,000
CPI rate +0.1%	(246,000)	986,000
Mortality rate 1 year increase	(251,000)	960,000
CPI rate -0.1%	(460,000)	709,000
Mortality rate 1 year decrease	<u>(455,000)</u>	<u>734,000</u>

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

	2023	2022
	£	£
Equities	2,191,000	1,643,000
Government bonds	732,000	695,000
Property	455,000	474,000
Cash and other liquid assets	127,000	152,000
Other	<u>2,260,000</u>	<u>1,927,000</u>
Total market value of assets	<u>5,765,000</u>	<u>4,891,000</u>

The actual return on scheme assets was £234,000 (2022 - £(348,000)).

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

24 PENSION AND SIMILAR OBLIGATIONS (continued)

Amounts recognised in the Statement of Financial Activities

	2022/23	2021/22
	£	£
Current service cost (net of employee contributions)	241,000	401,000
Interest cost	30,000	79,000
Admin expenses	9,000	8,000
Total amount recognised in the SOFA	<u>280,000</u>	<u>488,000</u>

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

	2022/23	2021/22
	£	£
At start of period	5,737,000	9,752,000
Current service cost	241,000	462,000
Interest cost	246,000	165,000
Employee contributions	69,000	61,000
Actuarial (gain)/loss	(802,000)	(4,681,000)
Benefits paid	<u>(80,000)</u>	<u>(22,000)</u>
At 31 August	<u>5,411,000</u>	<u>5,737,000</u>

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

	2022/23	2021/22
	£	£
At start of period	4,891,000	4,928,000
Interest income	216,000	86,000
Actuarial gain/(loss)	393,000	(435,000)
Employer contributions	285,000	281,000
Employee contributions	69,000	61,000
Benefits paid	(80,000)	(22,000)
Administration expenses	<u>(9,000)</u>	<u>(8,000)</u>
At 31 August	<u>5,765,000</u>	<u>4,891,000</u>

Local government pension schemes

**CALDEW SCHOOL
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
(CONTINUED)**

25 RELATED PARTY TRANSACTIONS

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

Income related party transactions

Mr B Keal (Staff Governor)

Acts in a volunteer capacity for Elite Football Carlisle and during the year Elite Football Carlisle hired sports facilities from the academy amounting to £1,080. There were no amounts outstanding at the year end.

26 AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the academy trust received £11,287 and disbursed £3,559 from the fund. An amount of £11,454 is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2022 are £9,758 received, £15,816 disbursed and £3,726 included in other creditors.