

Registration number: 07680823

# Caldew School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2024



## **Caldew School**

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## **Caldew School**

### **Reference and administrative details**

<b>Members</b>	T Z Abbas J E Doherty M Smillie A R Smith J M Wilkinson
<b>Governors and Trustees (Directors)</b>	V J Jackson, (Accounting Officer) J M Wilkinson, Chair of Governors T Z Abbas L P Birch, Community Governor C Coady, Parent Governor J E Doherty B Keal, Staff Governor (resigned 31 March 2024) V Lawson, Community Governor B McArdle, Staff Governor J M Ruddick (appointed 30 October 2023) S M Sims, First Governor (resigned 10 July 2024) M Smillie, First Governor A R Smith G P Smith, Community Governor H L Tancred, Parent Governor J Waite (appointed 1 September 2024) K Wallace (appointed 1 September 2024) C E Wallace, Staff Governor (resigned 11 September 2023) K Warwick, Parent Governor
<b>Company Secretary</b>	L E Hollywood
<b>Senior Management Team</b>	V J Jackson, Headteacher/Principal C Atkinson, Deputy Headteacher P D Hammond, Deputy Headteacher L E Hollywood, Business Manager
<b>Principal and Registered Office</b>	Caldew School Carlisle Road Dalston Cumbria CA5 7NN
<b>Company Registration Number</b>	07680823

## **Caldew School**

### **Reference and administrative details (continued)**

<b>Auditors</b>	Marriott Gibbs Rees Wallis Limited Chartered Certified Accountants and Registered Auditors Unit 4 Broadfield Court Sheffield S8 0XF
<b>Bankers</b>	Lloyds Bank Plc Birmingham OSC 4 Ariel House 2138 Coventry Road Sheldon B26 3JW  Cumberland Building Society 12 The Square Dalston Carlisle CA5 7PH
<b>Solicitors</b>	Just People The Annexe Blencathra House Graham Street Penrith CA11 9LE

## **Caldew School**

### **Trustees' report for the Year Ended 31 August 2024**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2024. 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 980 in the school census in January 2024.

#### **Structure, governance and management**

##### ***Constitution***

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 07680823.

The 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.

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

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

##### ***Trustees' indemnities***

The trustees have Legal Indemnity cover for £5,000,000 which is part of the overarching school insurance policy from Zurich Plc. This protects all trustees from legal claims made against them while undertaking the voluntary roles that they discharge through their status.

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

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:

- a) up to 4 Governors, deemed Foundation 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
- b) 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;
- c) one Governor appointed by the LA if it chooses to do so (currently the Governors have chosen not to appoint such a Governor);
- d) the Headteacher; and
- e) 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.

## **Caldew School**

### **Trustees' report for the Year Ended 31 August 2024 (continued)**

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 prefers, by having his 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 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 4 Co-opted Governors known as Community Governors. A 'Co-opted Governor' means a person who is asked by the existing Governors to act as (and is appointed to be) a Governor, usually (but not necessarily) to fill a vacancy. 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).

#### ***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**

### **Trustees' report for the Year Ended 31 August 2024 (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 - G P Smith)
- Student Welfare and Guidance - Pastoral care, trips / visits, admissions, safeguarding, pupil premium, SEND. (Chair - L Atkinson)
- Progress and Standards - curriculum, student attainment / progress, teaching and learning. (Chair - S 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 school 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 school's trustees are not paid. The school 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

### Trustees' report for the Year Ended 31 August 2024 (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
1.00	0.30

#### Percentage of time spent on facility time

Percentage of time

100%

**Number of employees**

1

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

Provide the total cost of facility time

Provide the total pay bill

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

**2024**

5,541

13,746

40

#### Paid trade union activities

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

**2024**

100

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

## **Caldew School**

### **Trustees' report for the Year Ended 31 August 2024 (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 3 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 Caldew 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. Chancellery insurance is in place to protect the academy against the risk of local parish chancellery 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 Auditing is completed to ESFA guidelines and reports on each Internal Auditor visit are presented to the Finance 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 (Carlisle) 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.

#### **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.

## **Caldew School**

### **Trustees' report for the Year Ended 31 August 2024 (continued)**

#### ***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.

#### ***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 19 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. The academy trust provides educational services to all children in the local area.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

## **Caldew School**

### **Trustees' report for the Year Ended 31 August 2024 (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 in line with national. The school has continued its track record in achieving strong A level results. The average points score was 30 and the average grade was up to C. The average points score for Applied General courses was 31.73 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 were in line with expectations . Basics at 4+ was 50% and at 5+ 38%. The percentage achieving EBacc at standard pass was 19% and at strong pass 15%. Although attainment was below national averages progress 8 is in line. Girls performed better than boys but there were improvements in the progress of boys. . Disadvantaged students progress was below that of non-disadvantaged students. The majority of SEND students performed in line with their targets.

Attendance has improved during the year and is slightly below national figures.

The school was subject to an OFSTED inspection on June 21st and 22nd 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 £44,142 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 £6.4K 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 have agreed in 2021-22 to £250,000 being released from Reserves to allow the schools ICT infrastructure to be upgraded. This project will last for 3 years with £53,137 being spent in this academic year. We committed to improving the student toilets in 2021-22 and £215,357 from Reserves being used for this project. The majority of 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.

##### ***Key financial 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 £118K overspend on Teaching Staff. This was offset by additional grants to support both the salary increases and the additional employer pension contributions. Overall support staff salaries were as expected and the increased exam invigilation costs incurred were offset by savings in site and administration.

The other areas of negative variance that occurred were an £13k overspend on exam fees, £26k on catering supplies due to increases in food costs and £23k overspend in energy costs due to the rate increases.

## **Caldew School**

### **Trustees' report for the Year Ended 31 August 2024 (continued)**

Professional services for curriculum and external were both offset by linked income from the local authority of £74k and the ESFA £253k to support additional external provision, staffing and service costs. Catering income increased by £36k and lettings by £20k. We predict lettings income will continue to increase with the replacement of the astro facility at the end of the financial year.

There was also £53k spent on the school's IT infrastructure and £6.7k spent on improvements to the school buildings. The money for both these projects has come from reserves after Governor approval.

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 13 which have an impact on income in 2024-25. Areas already identified for 2024-25 include costs associated with the energy prices, re-evaluation of the LGPS scheme where it is anticipated that an increase in the lump sum contributions may be required, and pay awards for teaching and support staff. The school has prepared and submitted a 3 year budget to the EFSA that shows the impact of these financial pressures over the next 3 years. The 2024-25 budget has been set as a balanced budget.

#### ***Going concern***

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details 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 policy for financial delegation, statement of internal control and best value. This is updated as necessary to reflect the practices and procedures in place within the organisation as operationally needed or through recommendations of the Internal or External Auditors.

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

The main funding stream is the GAG provided via the ESFA, along with threshold, Pupil Premium, Bursary funding and other minor grants. The school receives "top-up" SEN funding from Cumbria Local Authority. 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 2024 total income amounted to £7,308,918 (2023 - £6,796,380) and total expenditure was £7,867,869 (2023 - £7,262,072). This resulted in net expenditure before transfers and other gains and losses (and after accounting for depreciation charges of £418,053) of £558,951 (2023 - £465,692).

At 31 August 2024 the net book value of fixed assets was £5,884,425 (2023 - £6,156,920) 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**

### **Trustees' report for the Year Ended 31 August 2024 (continued)**

#### ***Reserves policy***

An in year deficit of £474,951 occurred during the year, resulting in a cumulative surplus on the restricted and unrestricted funds of £357,175 by the end of 2023/24 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. Further to the last inspection report a tender process was undertaken to refurbish the facility. A sum of £15,000 will be added in 2024/25 with an agreed increase to £25,000 each year from 2025/26 to allow for replacement cost increases estimated in 10 years. The Governors agreed not to put the annual £2,000 for the multi gym to help reduce the deficit.

The Governors agreed to the release of £250,000 from reserves in 2021-22 in order to carry out some essential projects. These are the ICT infrastructure improvements, toilet improvements, relief of the choke points in English and decoration. In 2023-24 £53,137 was spent.

The Trust has an in-year deficit of £202,457 (2023 - £266,771) on restricted general funds (excluding pension reserve) and unrestricted funds.

The Trust has cash of £556,148 (2023 - £673,355) at the bank, with total net assets of £6,248,016 (2023 - £6,722,967) excluding the pension liability of £827,000 (2022 - £Nil).

#### ***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.

## **Caldew School**

### **Trustees' report for the Year Ended 31 August 2024 (continued)**

#### ***Principal risks and uncertainties***

The academy set a balanced budget for 2024-25. 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 2024-25 year.

The academy is exposed to a number of risks that are included in the risk register. These are also included in the 3 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 Caldew 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. Chancellery insurance is in place to protect the academy against the risk of local parish chancellery 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 Auditing is completed to EFA guidelines and reports on each Internal Auditor visit are presented to the Finance 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.

#### **Fundraising**

The academy trust does not use any external fundraisers. All fundraising undertaken during the period was monitored by the Trustees.

The school holds various fundraising events throughout the year. All contributions are voluntary and the school works hard to ensure that parents and carers, especially vulnerable people are not subject to unreasonably intrusive or persistent fundraising approaches or are put under any pressure to donate.

No complaints or issues were raised about the fundraising undertaken by Caldew School during this financial year.

All money raised is either used for school resources or distributed to outside charities.

## **Caldew School**

### **Trustees' report for the Year Ended 31 August 2024 (continued)**

#### ***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:

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

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 responsible officer reports and audit management report.
- ICT infrastructure

The school has been in discussion with The Cumberland Support Trust for possible future donations to support the schools' aspirations of raising student achievement, promoting a culture of high expectations and ensuring that long-term, we make sustainable change in our educational provision.

#### **Auditor**

Insofar as the Trustees are aware:

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

#### ***Reappointment of auditor***

The auditors Marriott Gibbs Rees Wallis Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the board of trustees on 2 December 2024 and signed on its behalf by:



J M Wilkinson  
Trustee

## Caldew School

### 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.

The board of trustees has delegated the day-to-day responsibility to the Headteacher, 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 board of trustees any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
J M Wilkinson, Chair of Governors	6	6
B McArdle, Staff Governor	6	6
B Keal, Staff Governor (resigned 31 March 2024)	1	2
L P Birch, Community Governor	1	6
V J Jackson, (Accounting Officer)	6	6
V Lawson, Community Governor	3	6
G P Smith, Community Governor	1	6
K Warwick, Parent Governor	6	6
H L Tancred, Parent Governor	6	6
C Coady, Parent Governor	4	6
S M Sims, First Governor (resigned 10 July 2024)	5	6
J M Ruddick (appointed 30 October 2023)	3	5

#### Conflicts of interest

Upon appointment each trustee must complete a business interest form in order to identify any possible related parties. A new business interest form is also completed annually and trustees are required to state any new business interests at the start of every meeting held. These are then summarised on the register of interests which is kept up-to-date and displayed on the website. Key management personnel also complete the same form to further manage any conflicts of interest.

#### Governance reviews

This year the Governing Body has reviewed the governance of the school as part of a review of the articles of association, a revised copy of which will be submitted to Companies House in the new financial year. Governors have also been elected as link governors to maximise expertise available. Each link governor performs scrutiny through audits which are reported in both written and verbal feedback to the appropriate committee.

Further to CPD training to be undertaken in January 2025, any further amendments to governance that may be required can be agreed and implemented accordingly to ensure that the school remains compliant with the Academies Trust Handbook.

## Caldew School

### 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 22/23. 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. Carrie Wallace (Staff Governor) resigned in September 2023 and Barry Keal (Staff Governor) resigned in March 2024. Clem Coady was appointed as a Community Governor in July 2024. Jules Ruddick was elected as a Parent Governor in October 2023 and then appointed as Foundation Governor in July 2024. Karen Warwick was appointed as a Foundation Governor in July 2024.

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

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. 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
G P Smith, Community Governor	3	4
J M Wilkinson, Chair of Governors	4	4
V J Jackson, (Accounting Officer)	4	4
V Lawson, Community Governor	2	4
H L Tancred, Parent Governor	4	4
S M Sims, First Governor (resigned 10 July 2024)	3	4
J M Ruddick (appointed 30 October 2023)	2	3

#### 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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where 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 costs 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.

## **Caldew School**

### **Governance statement (continued)**

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.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 year ended 31 August 2024 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

#### **The risk and control framework**

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

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

## **Caldew School**

### **Governance statement (continued)**

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, usually 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. This year, as Governors chose cyber security as the internal audit focus, Dodd and Co did not have the expertise for this provision. Therefore, the school utilised Mercue IT Solutions to undertake an independent review of this area for scrutiny.

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 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 looks at uses the schools risk register to identify the focus for the internal scrutiny. During the academic year 2023-24 one internal scrutiny took place on Cyber Security This was carried out by Mercue IT Solutions and the report provided reviewed the areas of filtering and monitoring, network security enhancements, endpoint protection, cybersecurity training, patch management, quarantine monitoring and cyber policies.

All functions of the Internal Auditor role have been undertaken in compliance with the relevant ESFA guidance. The reports have highlighted several improvements to internal systems that were recommended. These have been actioned as necessary by the relevant staff.

The board of trustees has decided:

- to employ Dodd and Co Accountants as internal auditor

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

- Cyber security

On an annual basis, the auditor reports to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

There were no material control or other issues reported by the Responsible Officer to date.

#### **Review of effectiveness**

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

- the work of the internal auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- 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: FNTI/NtI and 'minded to' letters.

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


#### **Conclusion**

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

## Caldew School

### Governance statement (continued)

Approved by order of the members of the board of trustees on 2 December 2024 and signed on its behalf by:



.....  
V J Jackson  
Trustee



.....  
J M Wilkinson  
Trustee

## **Caldew School**

### **Statement of regularity, propriety and compliance**

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

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

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



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

2 December 2024

## **Caldew School**

### **Statement of Trustees' Responsibilities**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on 2 December 2024 and signed on its behalf by:



J M Wilkinson  
Trustee

## **Caldew School**

### **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') for the year ended 31 August 2024, which comprise the Statement of Financial Activities, 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 and 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' (United Kingdom Generally Accepted Accounting Practice) Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2023 to 2024.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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.

#### **Other information (covers the Reference and administrative details, the Trustees' report and Strategic Report and the Governance statement)**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

## **Caldew School**

### **Independent Auditor's Report on the Financial Statements to the Members of Caldew School (continued)**

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 Strategic Report and Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' report.

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 20], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy'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 or to cease operations, or have no realistic alternative but to do so.

#### **Auditor 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.

Based on our understanding of the Academy Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024.

## **Caldew School**

### **Independent Auditor's Report on the Financial Statements to the Members of Caldew School (continued)**

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

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;
- Enquiring with management and trustees concerning any actual or potential litigation or claims;
- Inspecting correspondence with regulators and legal advisors;
- Reviewing minutes of trustees meetings; and
- Considering the risk of acts by the company which were contrary to 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;
- Addressing the risks of fraud through management override of controls by reviewing transactions around the end of the reporting period and by testing the appropriateness of journals and other adjustments;
- Performing analytical procedures to identify unexpected changes or movements to account balances which may be indicative fraud;
- Assessing whether the judgements made in making accounting estimates are indicative of any potential bias; and
- Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, misrepresentations, forgery, intentional omissions, collusion, or the override of internal controls.

The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

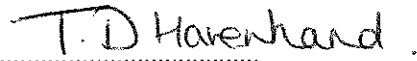
A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the Academy's Trustees, 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's trustees 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 and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**Caldew School**

**Independent Auditor's Report on the Financial Statements to the Members of Caldew School (continued)**



Tina Dawn Havenhand FCCA (Senior Statutory Auditor)  
For and on behalf of Marriott Gibbs Rees Wallis Limited, Statutory Auditor

Unit 4  
Broadfield Court  
Sheffield  
S8 0XF

2 December 2024

## **Caldew School**

### **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 27 June 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Caldew School during the period 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Caldew School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Caldew School and the 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 the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of the board of trustees' accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of the board of trustees' funding agreement with the Secretary of State for Education dated and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- The assessment and evaluation of relevant control procedures adopted by the Academy Trust;
- Assessing the risk of material irregularity; and
- Undertaking limited testing of income and expenditure, including identifying and testing funding agreements in place.

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

**Caldew School**

**Independent Reporting Accountant's Assurance Report on Regularity to Caldew School and the Education and Skills Funding Agency (continued)**

*Marriott Gibbs Rees Wallis Limited*

Marriott Gibbs Rees Wallis Limited  
Chartered Certified Accountants

Unit 4  
Broadfield Court  
Sheffield  
S8 0XF

2 December 2024

## Caldew School

### Statement of Financial Activities for the Year Ended 31 August 2024 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2024/23 Total £
<b>Income and endowments from:</b>					
Other trading activities	4	101,139	41,903	-	143,042
Investments	5	94	-	-	94
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	7,165,782	-	7,165,782
Total		101,233	7,207,685	-	7,308,918
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	7,449,816	418,053	7,867,869
Net income/(expenditure)		101,233	(242,131)	(418,053)	(558,951)
Transfers between funds		(138,797)	(6,762)	145,559	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes	24	-	84,000	-	84,000
Net movement in deficit		(37,564)	(164,893)	(272,494)	(474,951)
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 September 2023		355,479	204,153	6,163,335	6,722,967
Total funds carried forward at 31 August 2024		317,915	39,260	5,890,841	6,248,016

# Caldew School

## 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 £	2023/01 Total £
<b>Income and endowments from:</b>					
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
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	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	-
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes	24	-	841,000	-	841,000
Net movement in (deficit)/funds		(144,846)	724,075	(203,921)	375,308
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2022		500,325	(519,922)	6,367,256	6,347,659
Total funds carried forward at 31 August 2023		355,479	204,153	6,163,335	6,722,967

# Caldew School

(Registration number: 07680823)  
Balance Sheet as at 31 August 2024

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	11	5,884,425	6,156,920
<b>Current assets</b>			
Stocks	12	4,171	4,171
Debtors	13	146,438	325,432
Cash at bank and in hand		556,148	673,355
		<u>706,757</u>	<u>1,002,958</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year		<u>(343,166)</u>	<u>(436,911)</u>
Net current assets		<u>363,591</u>	<u>566,047</u>
Total assets less current liabilities		<u>6,248,016</u>	<u>6,722,967</u>
Net assets excluding pension asset		<u>6,248,016</u>	<u>6,722,967</u>
<b>Total net assets</b>		<u><b>6,248,016</b></u>	<u><b>6,722,967</b></u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund	15	39,260	204,153
Restricted fixed asset fund	15	<u>5,890,841</u>	<u>6,163,335</u>
		5,930,101	6,367,488
<b>Unrestricted funds</b>			
Unrestricted general fund	15	<u>317,915</u>	<u>355,479</u>
<b>Total funds</b>		<u><b>6,248,016</b></u>	<u><b>6,722,967</b></u>

The financial statements on pages 27 to 50 were approved by the Trustees, and authorised for issue on 2 December 2024 and signed on their behalf by:



J M Wilkinson  
Trustee

# **Caldew School**

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

	<b>Note</b>	<b>2024 £</b>	<b>2023 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	19	28,258	(172,261)
Cash flows from investing activities	20	<u>(145,465)</u>	<u>(172,387)</u>
Change in cash and cash equivalents in the year		(117,207)	(344,648)
Cash and cash equivalents at 1 September		<u>673,355</u>	<u>1,018,003</u>
Cash and cash equivalents at 31 August	21	<u><u>556,148</u></u>	<u><u>673,355</u></u>

## **Caldew School**

### **Notes to the Financial Statements for the Year Ended 31 August 2024**

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

##### **Going concern**

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

##### **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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

##### **Sponsorship income**

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

## **Caldew School**

### **Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**

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

##### ***Donations***

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

##### ***Other income***

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

##### ***Donated goods, facilities and services***

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

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

##### ***Expenditure***

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

All resources expended are inclusive of irrecoverable VAT.

##### ***Expenditure on raising funds***

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

##### ***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.

## **Caldew School**

### **Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**

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

##### **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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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.

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold Buildings	over the remaining life of the building
Freehold Land	no depreciation charged
Fixtures, Fittings and Equipment	10%
Computer Equipment	33%
Plant, Machinery and Motor Vehicles	10-20%
Assets Under Construction	no depreciation charged

##### **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.

##### **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:

## **Caldew School**

### **Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**

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

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 notes 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 Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

## Caldew School

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 1 Accounting policies (continued)

##### 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.

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 'Member Liability', will impact on the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

##### Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 0% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 26.

#### 2 Donations and capital grants

	2024/23 Total £	2023/22 Total £
Capital grants	-	39,323

## Caldew School

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

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

	Restricted General Funds £	2024/23 Total £	2023/22 Total £
<b>Educational operations</b>			
<b>DfE/ESFA revenue grants</b>			
General Annual Grant (GAG)	5,621,278	5,621,278	5,424,840
Capital grants (Formula capital)	20,931	20,931	20,858
Pupil premium	160,391	160,391	145,126
Teachers pension grant	79,017	79,017	24,908
Teachers pay grant	89,520	89,520	-
Other DfE/ESFA grants	176,900	176,900	56,227
Supplementary grant	101,120	101,120	146,096
Maintain School grant	72,229	72,229	72,229
	<u>6,321,386</u>	<u>6,321,386</u>	<u>5,890,284</u>
<b>Other government grants</b>			
Local authority grants	385,442	385,442	43,535
Special educational projects	-	-	296,386
Local authority funding - Pupil Premium	-	-	6,943
	<u>385,442</u>	<u>385,442</u>	<u>346,864</u>
<b>Non-government grants and other income</b>			
Exam fees income	806	806	774
Curriculum income	7,765	7,765	10,119
Other grant income and funding	-	-	25,869
Catering income	286,676	286,676	263,157
School fund/trip income	163,707	163,707	63,120
Other	-	-	4,494
	<u>458,954</u>	<u>458,954</u>	<u>367,533</u>
<b>Covid-19 additional funding (DfE/ESFA)</b>			
Catch-up premium	-	-	43,722
<b>Total grants</b>	<u>7,165,782</u>	<u>7,165,782</u>	<u>6,648,403</u>

# Caldew School

## Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

### 4 Other trading activities

	Unrestricted Funds £	Restricted General Funds £	2024/23 Total £	2023/22 Total £
Hire of facilities	51,515	-	51,515	55,825
Recharges and reimbursements	-	41,903	41,903	-
Other sales	49,624	-	49,624	52,722
	<u>101,139</u>	<u>41,903</u>	<u>143,042</u>	<u>108,547</u>

### 5 Investment income

	Unrestricted Funds £	2024/23 Total £	2023/22 Total £
Short term deposits	<u>94</u>	<u>94</u>	<u>107</u>

### 6 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other costs £	2024/23 Total £	2023/22 Total £
<b>Academy trust's educational operations</b>					
Direct costs	4,103,158	418,053	551,789	5,073,000	5,265,637
Allocated support costs	<u>1,629,708</u>	<u>591,960</u>	<u>573,201</u>	<u>2,794,869</u>	<u>1,996,435</u>
	<u>5,732,866</u>	<u>1,010,013</u>	<u>1,124,990</u>	<u>7,867,869</u>	<u>7,262,072</u>

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

	2024/23 £	2023/22 £
Operating lease rentals	3,130	3,995
Depreciation	419,513	422,153
Fees payable to auditor - audit	5,725	4,800
- other audit services	1,645	-
- other non-audit services	<u>6,075</u>	<u>10,930</u>

## Caldew School

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 7 Charitable activities

		2024/23 £	2023/22 £
Direct costs - educational operations		5,073,000	5,265,637
Support costs - educational operations		<u>2,794,869</u>	<u>1,996,435</u>
		<u>7,867,869</u>	<u>7,262,072</u>
	Educational operations £	2024/23 Total £	2023/22 Total £
<b>Analysis of support costs</b>			
Support staff costs	1,629,708	1,629,708	911,473
Technology costs	67,369	67,369	88,129
Premises costs	591,960	591,960	689,098
Legal costs - other	2,201	2,201	10,668
Other support costs	470,857	470,857	279,672
Governance costs	<u>32,774</u>	<u>32,774</u>	<u>17,395</u>
Total support costs	<u>2,794,869</u>	<u>2,794,869</u>	<u>1,996,435</u>

#### 8 Staff

##### Staff costs and employee benefits

	2024/23 £	2023/22 £
<b>Staff costs during the year were:</b>		
Wages and salaries	4,123,977	3,885,064
Social security costs	417,574	382,996
Operating costs of defined benefit pension schemes	<u>1,090,414</u>	<u>902,733</u>
	5,631,965	5,170,793
Supply staff costs	97,401	140,930
Staff restructuring costs	<u>3,500</u>	<u>-</u>
	<u>5,732,866</u>	<u>5,311,723</u>
		2024/23 £
<b>Staff restructuring costs comprise:</b>		
Severance payments		<u>3,500</u>

##### Severance payments

The academy trust paid 1 severance payments in the year disclosed in the following bands:

## Caldew School

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 8 Staff (continued)

	2024/23
	£
0 - £25,000	<u>1</u>

#### Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £3,500 (2023: £Nil). Individually, the payments were:

#### Staff numbers

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

	2024/23	2023/22
	No	No
Teachers	61	66
Administration and support	67	61
Management	<u>4</u>	<u>2</u>
	<u>132</u>	<u>129</u>

#### Higher paid staff

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

	2024/23	2023/22
	No	No
£60,001 - £70,000	3	2
£70,001 - £80,000	-	2
£80,001 - £90,000	2	-
£100,001 - £110,000	<u>1</u>	<u>1</u>

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of 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 £463,194 (2023: £587,577).

#### 9 Related party transactions - trustees' 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, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

## Caldew School

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 9 Related party transactions - trustees' remuneration and expenses (continued)

C E Wallace (Staff Trustee):

Remuneration: £0 - £5,000 (2023 - £45,000 - £50,000)

Employer's pension contributions: £0 - £5,000 (2023 - £5,000 - £10,000)

B Keal (Staff Trustee):

Remuneration: £20,000 - £25,000 (2023 - £25,000 - £30,000)

Employer's pension contributions: £0 - £5,000 (2023 - £0 - £5,000)

V J Jackson (Headteacher):

Remuneration: £105,000 - £110,000 (2023 - £100,000 - £105,000)

Employer's pension contributions: £25,000 - £30,000 (2023 - £10,000 - £15,000)

B McArdle (Staff Trustee):

Remuneration: £50,000 - £55,000 (2023 - £50,000 - £55,000)

Employer's pension contributions: £10,000 - £15,000 (2023 - £10,000 - £15,000)

There were no trustees expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

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

#### 10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim. It is not possible to quantify the trustees and officers indemnity element from the overall cost of insurance.

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

#### 11 Tangible fixed assets

	Freehold land and buildings £	Assets under construction £	Furniture and equipment £	Plant and Machinery £	Computer equipment £	2024/23 Total £
<b>Cost</b>						
At 1 September 2023	10,897,213	-	171,805	144,915	91,897	11,305,830
Additions	-	138,797	-	6,762	-	145,559
At 31 August 2024	<u>10,897,213</u>	<u>138,797</u>	<u>171,805</u>	<u>151,677</u>	<u>91,897</u>	<u>11,451,389</u>
<b>Depreciation</b>						
At 1 September 2023	4,742,193	-	169,905	144,915	91,897	5,148,910
Charge for the year	<u>415,931</u>	<u>-</u>	<u>1,898</u>	<u>225</u>	<u>-</u>	<u>418,054</u>
At 31 August 2024	<u>5,158,124</u>	<u>-</u>	<u>171,803</u>	<u>145,140</u>	<u>91,897</u>	<u>5,566,964</u>
<b>Net book value</b>						
At 31 August 2024	<u>5,739,089</u>	<u>138,797</u>	<u>2</u>	<u>6,537</u>	<u>-</u>	<u>5,884,425</u>
At 31 August 2023	<u>6,155,020</u>	<u>-</u>	<u>1,900</u>	<u>-</u>	<u>-</u>	<u>6,156,920</u>

# **Caldew School**

## **Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**

### **12 Stock**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Catering	2,101	2,101
Livestock	2,070	2,070
	<u>4,171</u>	<u>4,171</u>

### **13 Debtors**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade debtors	27,217	161,953
VAT recoverable	45,229	19,897
Other debtors	1,187	-
Prepayments	10,617	117,068
Accrued grant and other income	62,188	26,514
	<u>146,438</u>	<u>325,432</u>

### **14 Creditors: amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade creditors	254,562	122,380
Other creditors	5,311	16,617
Accruals	83,293	44,065
Deferred income	-	232,922
Pension scheme creditor	-	20,927
	<u>343,166</u>	<u>436,911</u>
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>

#### **Deferred income**

Deferred income at 1 September 2023	232,922	26,375
Resources deferred in the period	-	232,922
Amounts released from previous periods	<u>(232,922)</u>	<u>(26,375)</u>
Deferred income at 31 August 2024	<u>-</u>	<u>232,922</u>

# Caldew School

## Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

### 15 Funds

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2024 £
<b>Restricted funds</b>					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	189,461	5,621,278	(5,795,035)	(6,762)	8,942
Other DfE/ESFA grants	(1,522)	700,108	(687,081)	-	11,505
Other government grants	-	385,442	(385,442)	-	-
Other	16,214	500,857	(498,258)	-	18,813
<i>Restricted fixed asset funds</i>					
DfE/ESFA funding	6,156,920	-	(417,828)	-	5,739,092
ESFA - Energy Efficiency grant	6,415	-	-	-	6,415
Purchased from GAG	-	-	(225)	6,762	6,537
Purchased from unrestricted	-	-	-	138,797	138,797
<i>Pension reserve funds</i>					
Pension reserve	-	-	(84,000)	84,000	-
<b>Total restricted funds</b>	<b>6,367,488</b>	<b>7,207,685</b>	<b>(7,867,869)</b>	<b>222,797</b>	<b>5,930,101</b>
<i>Unrestricted general funds</i>					
Unrestricted funds	355,479	101,233	-	(138,797)	317,915
<b>Total unrestricted funds</b>	<b>355,479</b>	<b>101,233</b>	<b>-</b>	<b>(138,797)</b>	<b>317,915</b>
<b>Total funds</b>	<b>6,722,967</b>	<b>7,308,918</b>	<b>(7,867,869)</b>	<b>84,000</b>	<b>6,248,016</b>

## Caldew School

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 15 Funds (continued)

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

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted funds</b>					
<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)	-	-
<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
<i>Pension reserve funds</i>					
Pension reserve	(846,000)	-	5,000	841,000	-
<b>Total restricted funds</b>	<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>
<b>Total unrestricted funds</b>	<u>500,325</u>	<u>108,654</u>	<u>(41,683)</u>	<u>(211,817)</u>	<u>355,479</u>
<b>Total endowment funds</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total funds</b>	<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>

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

## Caldew School

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 15 Funds (continued)

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

Restricted general funds:

General Annual Grant (GAG) - Income receivable from the Education and Skills Funding Agency to fund the educational operations and running costs of the Academy Trust.

Other DfE/ESFA grants - Other funding received including Teachers Pay and Pension grants.

Other government grants - Additional funding given to the Academy Trust from Local Authority.

General funds - Funds received by the Academy Trust to be spent on specific projects.

Restricted fixed asset funds:

DfE/ESFA capital grants - Funding provided for capital maintenance/items.

Energy efficiency grant - A government funded programme to spend on energy efficiency upgrades.

Restricted pension funds:

Defined benefit pension liability - The deficit on the local government pension scheme has been recognised against restricted funds in order to match it against GAG as recommended by the Accounts Direction published by the ESFA.

Unrestricted funds:

Funds available to spend for the general purposes of the Academy Trust.

Transfers:

£6,762 was transferred to the restricted fixed asset fund from the GAG fund to cover fixed assets purchased.

£138,797 was transferred to the restricted fixed asset fund from unrestricted funds to cover fixed assets purchased.

#### 16 Analysis of net assets between funds

Fund balances at 31 August 2024 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	5,884,425	5,884,425
Current assets	317,915	234,002	154,840	706,757
Current liabilities	-	(194,742)	(148,424)	(343,166)
Total net assets	<u>317,915</u>	<u>39,260</u>	<u>5,890,841</u>	<u>6,248,016</u>

## Caldew School

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 16 Analysis of net assets between funds (continued)

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	-	-	6,156,920	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>

#### 17 Capital commitments

	2024 £
Contracted for, but not provided in the financial statements	<u>160,908</u>

#### 18 Long-term commitments, including operating leases

##### *Operating leases*

At 31 August 2024 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2024 £	2023 £
Amounts due within one year	3,130	3,995
Amounts due between one and five years	<u>2,348</u>	<u>6,476</u>
	<u>5,478</u>	<u>10,471</u>

#### 19 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2024 £	2023 £
Net expenditure	(558,951)	(465,692)
Depreciation	418,054	422,153
Capital grants from DfE and other capital income	-	(39,323)
Interest receivable	(94)	(107)
Defined benefit pension scheme cost less contributions payable	59,000	(44,000)
Defined benefit pension scheme finance cost	25,000	39,000
Increase in stocks	-	(372)
Decrease/(increase) in debtors	178,994	(193,241)
(Decrease)/increase in creditors	<u>(93,745)</u>	<u>109,321</u>
Net cash provided by/(used in) Operating Activities	<u>28,258</u>	<u>(172,261)</u>

## Caldew School

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

#### 20 Cash flows from investing activities

	2024 £	2023 £
Dividends, interest and rents from investments	94	107
Purchase of tangible fixed assets	(145,559)	(211,817)
Capital funding received from sponsors and others	-	39,323
Net cash used in investing activities	<u>(145,465)</u>	<u>(172,387)</u>

#### 21 Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand and at bank	<u>556,148</u>	<u>673,355</u>
Total cash and cash equivalents	<u>556,148</u>	<u>673,355</u>

#### 22 Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash	<u>673,355</u>	<u>(117,207)</u>	<u>556,148</u>
Total	<u>673,355</u>	<u>(117,207)</u>	<u>556,148</u>

#### 23 Member liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while 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.

#### 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 . Both are multi-employer defined benefit schemes.

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

Contributions amounting to £- (2023 - £20,927) were payable to the schemes at 31 August and are included within creditors.

#### Teachers' Pension Scheme

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

## **Caldew School**

### **Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**

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

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

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

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

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

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

The employer's pension costs paid to TPS in the period amounted to £736,342 (2023: £569,304).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has 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 schemes**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £336,000 (2023 - £354,431), of which employer's contributions totalled £263,000 (2023 - £285,435) and employees' contributions totalled £73,000 (2023 - £68,996). The agreed contribution rates for future years are 19.5% for employers and variable according to salary for employees. The scheme is managed by Westmorland and Furness Council.

The academy has entered into an agreement to make additional contributions to the scheme to cover any future deficit position. The total additional contributions in the year amounted to £39,919. This agreement ends on 31 March 2025.

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.

## Caldew School

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

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

##### Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	4.10	4.30
Rate of increase for pensions in payment/inflation	2.70	2.90
Discount rate for scheme liabilities	5.00	5.30
Inflation assumptions (CPI)	<u>2.60</u>	<u>2.80</u>

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

	2024	2023
<b>Retiring today</b>		
Males retiring today	21.40	21.40
Females retiring today	23.90	23.80
<b>Retiring in 20 years</b>		
Males retiring in 20 years	22.70	22.70
Females retiring in 20 years	<u>25.60</u>	<u>25.60</u>

##### Sensitivity analysis

	2024	2023
	£	£
Discount rate +0.1%	(119,000)	(460,000)
Discount rate -0.1%	121,000	(246,000)
Mortality assumption – 1 year increase	119,000	(251,000)
Mortality assumption – 1 year decrease	(117,000)	(455,000)
CPI rate +0.1%	121,000	(246,000)
CPI rate -0.1%	<u>(119,000)</u>	<u>(460,000)</u>

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

	2024	2023
	£	£
Equities	2,383,000	2,191,000
Government bonds	960,000	732,000
Property	509,000	455,000
Cash and other liquid assets	144,000	127,000
Other	<u>2,534,000</u>	<u>2,260,000</u>
Total market value of assets	<u>6,530,000</u>	<u>5,765,000</u>

The actual return on scheme assets was £493,000 (2023 - £234,000).

## Caldew School

### Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)

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

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

	2024/23	2023/01
	£	£
Current service cost	195,000	241,000
Interest income	(313,000)	-
Interest cost	288,000	30,000
Admin expenses	9,000	9,000
	<u>179,000</u>	<u>280,000</u>
Total amount recognized in the SOFA		

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

	2024/23	2023/01
	£	£
At start of period	5,411,000	5,737,000
Current service cost	195,000	241,000
Interest cost	288,000	246,000
Employee contributions	73,000	69,000
Actuarial (gain)/loss	88,000	(802,000)
Benefits paid	(55,000)	(80,000)
	<u>6,000,000</u>	<u>5,411,000</u>
At 31 August		

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

	2024/23	2023/01
	£	£
At start of period	5,765,000	4,891,000
Interest income	313,000	216,000
Actuarial gain/(loss)	180,000	393,000
Employer contributions	263,000	285,000
Employee contributions	73,000	69,000
Benefits paid	(55,000)	(80,000)
Effect of non-routine settlements	(9,000)	(9,000)
	<u>6,530,000</u>	<u>5,765,000</u>
At 31 August		

Pension assets amounting to £530,000 (2023 - £354,000) have not been accounted for in the financial statements as they do not meet the recognition criteria under FRS 102.

#### 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.

## **Caldew School**

### **Notes to the Financial Statements for the Year Ended 31 August 2024 (continued)**

#### **25 Related party transactions (continued)**

##### **Expenditure related party transactions**

During the year the academy made the following related party transactions:

##### **Cumbria Association of Secondary Headteachers**

(V Jackson is a trustee of Caldew School and is also a director of Cumbria Association of Secondary Headteachers)

During the year Cumbria Association of Secondary Headteachers provided services to the trust amounting to £1,000.

At the balance sheet date the amount due to Cumbria Association of Secondary Headteachers was £Nil (2023 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

##### **Income related party transactions**

During the year the academy made the following related party transactions:

##### **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 £1,840 (2023 - £1,080).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

#### **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 2024 the academy trust received £12,382 and disbursed £7,069 from the fund. An amount of £5,313 is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2023 are £11,287 received, £3,559 disbursed and £11,454 included in other creditors.