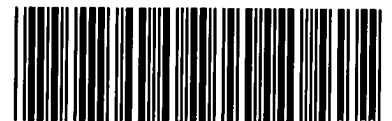


COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 20
Governance statement	21 - 25
Statement on regularity, propriety and compliance	26
Statement of trustees' responsibilities	27
Independent auditors' report on the financial statements	28 - 31
Independent reporting accountant's report on regularity	32 - 33
Statement of financial activities incorporating income and expenditure account	34 - 35
Balance sheet	36 - 37
Statement of cash flows	38
Notes to the financial statements	39 - 74

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

CAT Members	Mr. S Atkins Mr. N Bratt Mr. S Mason Ms. V C Higham Mrs. S Thomas (resigned 6 July 2023)
CAT Trustees / Directors	Mr. S Atkins, Chair Mr. G Brown Mr. T Farnworth (appointed 24 November 2022) Mr. P Rubery Mr. S Sibley (resigned 17 October 2022) Mrs. S Stewart Mr. R Vernon Rev. S Wallis
Company registered number	07472736
Company name	Community Academies Trust
Principal and registered office	Dimbleby House Stoneydelph Primary School Crowden Road Wilnecote Tamworth Staffordshire B77 4LS
Company secretary	Mrs. L Gordon
Senior management team	Mr. P Hamilton, Chief Executive Officer and Founding Trustee, Accounting Officer Mr. E May, Executive Director (Education) and Founding Trustee Mrs. L Gordon, Executive Director (Finance and Operations) Mrs. M Favell, Head Teacher, The Polesworth School Mr. N Coleman, Head Teacher, Birchwood Primary School Mrs. M Cross, Executive Head Teacher, Dordon Primary School & Wood End Primary School Mr. A Mitchell, Head Teacher, Woodloes Primary School Mrs. C Thomas, Head Teacher, Budbrooke Primary School Mrs. E Blount, Head Teacher, The Telford Langley School Mrs. H Rigby, Head Teacher, The Telford Park School Mr D Barber, Head Teacher, The Telford Priory School Mr. R Thorpe, Head Teacher, Grange Park Primary School Mrs. G Humphriss, Head Teacher, Stratford Primary School Mrs S Rowett, Head Teacher, Heathcote Primary School Mr D Foskett, Head Teacher, The Wilnecote School Ms. G Grainger, Head Teacher, Chadsmead Primary Academy Mr. M Gibbons, Head Teacher, Windmill Primary School Ms. E Parsons, Head Teacher, Stoneydelph Primary School Mr. J Baker, Head Teacher, The Woodlands Community Primary School Mrs. S Byrne, Head Teacher, Kingsway Primary School Ms. A Rickus, Director CAT Institute of Education

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Independent auditors	Mazars LLP Chartered Accountants Park View House 58 The Ropewalk Nottingham NG1 5DW
Bankers	Lloyds 9 Birmingham Road Sutton Coldfield B72 1QA
Internal Auditors	RB Chartered Accountant Meeson House 76 Pinfold Lane Penkridge Staffordshire ST19 5AP

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the year ended 31 August 2023. The annual report serves the purpose of both a Trustees' report, and a directors' report under company law.

The Academy Trust operates 5 secondary and 13 primary schools across the Midlands. It has a pupil capacity of 9,992 and a roll of 8,849 in the school census of October 2022.

Directory of Academies year ended 31 August 2023

Birchwood Primary School	Birchwood Avenue, Dordon, Tamworth, B78 1QU
Budbrooke Primary School	Styles Close, Hampton Magna, Warwick, CV35 8TP
Chadsmead Primary Academy	Friday Acre, Lichfield, WS13 7HJ
Dordon Community Primary School	Roman Way, Dordon, Tamworth, B78 1PJ
Grange Park Primary School	Grange Avenue, Stirchley, Telford, TF3 1ET
Heathcote Primary School	Vickers Ways, Heathcote, Warwick, Warwickshire, CV34 7AP
Kingsway Primary School	Baker Avenue, Leamington Spa, Warwickshire, CV31 3HB
The Polesworth School	Dordon Road, Dordon, Tamworth, B78 1QT
Stoneydelph Primary School	Crowden Road, Wilnecote, Tamworth, Staffordshire, B77 4LS
Stratford-upon-Avon Primary School	Broad Street, Stratford-upon-Avon, CV37 6HN
The Telford Langley School	Duce Drive, Dawley, Telford, TF4 3JS
The Telford Park School	Grange Avenue, Stirchley, Telford, TF3 1FA
The Telford Priory School	New Road, Wrockwardine Wood, Telford, TF2 7AB
The Wilnecote School	Tinkers Green Road, Wilnecote, Tamworth, Staffordshire, B77 5LF
Windmill Primary School	Beaconsfield, Brookside, Telford, TF3 1LG
Wood End Primary School	Wood Street, Wood End, Atherstone, CV9 2QL
The Woodlands Community Primary School	Canning Road, Glascote, Tamworth, Staffordshire B77 3JX
Woodloes Primary School	Deansway, Warwick, CV34 5DF

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Community Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Community Academies Trust.

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.

b. Members' liability

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

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

Structure, governance and management (continued)

c. Trustees' indemnities

The Trust makes use of the Government's Risk Protection Arrangement for academies and the indemnities therein.

d. Method of recruitment and appointment or election of Trustees

The members appoint up to 6 Trustees in accordance with the provisions in the Articles of Association. Further Trustees are appointed by the existing Trustees following an interview with a sub-committee of the Trustees and their recommendation. Trustees are appointed after taking into account the skills and knowledge they can bring to the Trust. The Trust has successfully used "Academy Ambassadors" to recruit Trustees in previous years.

e. Policies and procedures adopted for the induction and training of Trustees

Training and induction is provided for new Trustees and depends on their existing experience. All Trustees are provided with copies of policies, procedures, minutes, budgets, risk register, plans and other documents that they will need to undertake their role. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

f. Organisational structure

Community Academies Trust's Board of Trustees govern the work of the academies across the Trust. They govern the full range of activity required by the Trust. The Board, includes specialists in human resources, financial management and estates.

Most of our academies have a School Standards Committee (SSC) comprising up to 9 governors for a primary school and up to 13 governors for a secondary school. Where a school is in challenging circumstances, it is governed by an Education Advisory Board (EAB) consisting of main trust board representatives, local stakeholders and school improvement experts who drive through rapid change to turn around provision. This EAB is disbanded once the school is settled and an SSC instated.

Each school has a Headteacher with a Strategic Leadership Team (SLT). This SLT and other leaders ensure strong and clear lines of accountability and the easy flow of information about the quality of provision. They are responsible for the delivery of the improvement plans and contribute to their formulation and implementation.

Further information on this work is described later in this report under Objectives, Strategies and Activities.

g. Arrangements for setting pay and remuneration of key management personnel

A remuneration committee of the Trustees is responsible for setting the pay of the executive leaders of the Trust. It does this by benchmarking against advertised rates and bearing in mind the skillsets of staff and regional marketplace. Also considered is the requirement to maintain differentials in internal structures and the weight of responsibility attached to the role. It has agreed an Executive Leaders Pay Policy.

Headteachers have their pay determined under the School Teachers' Pay and Conditions document and related to the Individual Salary Range (ISR) attached to the school, personal performance and the requirements of TUPE.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	10
Full-time equivalent employee number	9.56

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1%-50%	6
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£000
Total cost of facility time	3
Total pay bill	47,279
Percentage of total pay bill spent on facility time	0.01 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	31 %
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

i. Engagement with employees (including disabled persons)

The Trust has a Trade Union Recognition Agreement (TURA) with all the unions who represent our employees. This consultative body has met on two occasions in the year.

The CEO visited every school of the Trust over the year to describe the strategic direction of the Trust and to invite questions from employees on matters of concern to them. The CEO has also provided virtual professional development sessions for all Chairs of Governors

As the Trust employs over 250 persons, it is required to have a policy in respect of applications for employment for disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled persons. This policy can be accessed on the Trust website, www.communityacademiestrust.org.

The mechanism for the Trust to consult with employees on matters affecting them is through a range of forums including:

- Heads Strategic Forum
- Face to Face staff meetings
- Union forums as part of our Trade Union Recognition Agreement
- Chairs of School Standards Committee Network
- Our Community Matters Newsletter
- Termly Technical Updates

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

The Trust has regard to the need to foster a business relationship with suppliers and others, including Local Authorities in the area in which the Trust operates.

Over the last year the Trust has met its obligations in paying suppliers within 31 days, as evidenced by the submitted Payment Practices Reports.

The Trust has a good relationship with the Local Authorities in the area in which it operates and works with them across a range of initiatives, particularly to do with school improvement and finance.

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

Objectives and activities



The Academy Trust's objectives are specifically restricted to the advancing, for the public benefit, education in the UK, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum and to promote for the benefit of the inhabitants of the United Kingdom the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interest of social welfare and with the object of improving the condition of life of the said inhabitants.

a. Objectives and aims

In accordance with the articles of association, the charitable company has adopted a "Scheme of Governance" approved by the Secretary of State for Education. The Scheme of Governance specifies, amongst other things, the basis for admitting students to the Academies, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

Everything we do is orientated around ensuring excellent community education for children and young adults aged 3 to 18.

Our approach is based on a fundamental belief that all young people have talent and the potential to achieve more than they ever thought possible.

Achievement is in three main areas:

- **Academic:** Excellent standards and outstanding progress are a prerequisite for success in life equipping young people with the skills and knowledge they will need to be successful, happy and productive citizens.
- **Social:** Excellent relationships for learning are a prerequisite for all other achievements. Relationships that engender mutual respect between young people, and all other members of our academies' communities will ensure learning can be fun in a disciplined and caring environment where the highest expectations are the norm.
- **Personal:** All young people achieve things they can be proud of every day in addition to academic success and outside our school's planned curriculum. We have a vital role in ensuring individuals develop their own talents and interests and have a responsibility to instill in them a sense of pride in who they are and what they achieve.

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

Objectives and activities (continued)

a. Objects and aims (continued)

Our Community

We serve a diverse range of communities in Warwickshire including Polesworth, Warwick, Leamington Spa, Stratford upon Avon and nearby Warwickshire villages. We also serve communities in Telford, Tamworth and Lichfield. Our Academies in the year under review, in order of size by pupil numbers:

The Polesworth School (11-18), The Telford Langley School (11-16), The Telford Priory School (11-16), The Wilnecote School (11-16), The Telford Park School (11-18), Birchwood Primary School (4-11), Grange Park Primary School (3-11), Woodloes Primary School (3-11), Windmill Primary School (3-11), Heathcote Primary School (4-11), The Woodlands Community Primary School (4-11), Stoneydelph Primary School (4-11), Chadsmead Primary Academy (3-11), Stratford upon Avon Primary School (4-11), Dordon Community Primary School (4-11), Budbrooke Primary School (4-11), Kingsway Primary School (4-11) and Wood End Primary School (3-11).

b. Objectives, strategies and activities



We are a well-established Academy Trust.

Our trust continues to be active in the communities we work in a variety of ways:

- Membership of national and regional roundtables
- Our CEO sits on the Warwickshire and Telford & Wrekin strategic educational boards and is active in local and national CEO networks and collaborations. Our trust also supports and mentors new and more experienced trusts.
- Our Executive Director (Education) contributes to the wider national school improvement offer
- Our Executive Director (Finance and Operations) has supported other trusts
- Our Trust led two teaching schools until August 2021. Since then our Trust has continued to provide teacher training and school improvement support beyond its boundaries, having established the CAT Institute of Education
- Our Trust is a member of the Confederation of School Trusts and The Queen Street Group.

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

Objectives and activities (continued)

b. Objectives, strategies and activities (continued)

Our Trust is financially secure and well placed to continue to fulfill the Trust's objectives of school improvement in the interests of excellent community education.

With this in mind, the activities planned this coming year include:

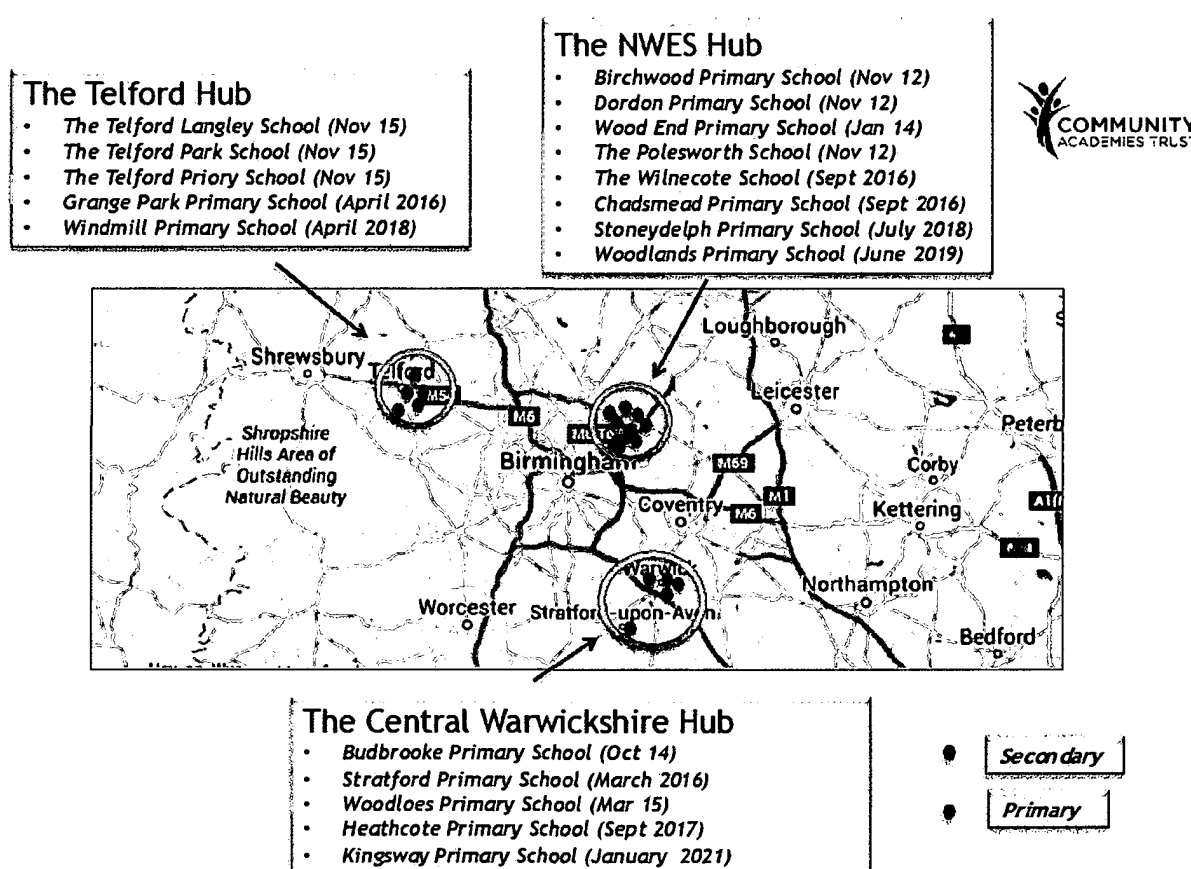
- Utilise further the capacity of the schools in the Trust to provide significant and bespoke professional development for its staff.
- Continue to build leadership and school improvement capacity to ensure cutting edge resources and the latest research and thought influences day to day practice in our schools.
- Align further our educational offer across the Trust.
- Continue to provide support for other trusts and schools as part of the national school improvement offer.
- Manage changes to the size of the Trust in the interests of all stakeholders.

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

Objectives and activities (continued)

c. Organisational Structure

Our Trust is organized into three geographically close hubs. The following picture describes the schools in the Trust.



Education is for improving lives and for leaving your community and world better than you found it

Our ethos is to ensure the best local leaders lead local education provision (refer to www.communityacademiestrust.org). On this basis we have evolved our governance structure to put it as close to provision as possible.

Governors in our schools are different from traditional governors in that we consider them 'Guardians of Standards'. They are members of School Standards Committees (SSCs) and our Trust enables them to be free to focus entirely on holding the academies to account for the standards they achieve in Education, behaviour, leadership and personal development, as well as ensuring that the hubs fulfill their goals as engines of school improvement.

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

Objectives and activities (continued)

c. Organisational Structure (continued)

Academies in our Trust sign up to some core principles. They are academies that are:

- Focused on achieving outstanding academic, personal and social outcomes for the children in their care and this is the main priority.
- Committed to the moral imperative of community school improvement and shared system leadership.
- Mutually supportive, not in competition with each other and are fiercely loyal to each other.
- Equal partners with all other schools irrespective of their phase, size or successes. School size does not matter, no one school is more important than another, and resources are shared for the common good of the group.
- Multi academy trust minded – our schools celebrate the success of others as well as themselves and we feel a shared accountability and understand where ultimate responsibilities rest.
- Financially disciplined and committed to our agreed financial principles.
- Committed to fulfilling their delegated responsibilities to the best of their abilities.

Strategic report

Achievements and performance

The academic year 22/23, overall, has been a very successful year for the Trust, although there have been significant challenges to overcome. All our schools have continued to be challenged by the long shadow of COVID, most evident in the behaviour and attendance of children in our schools. Our response to this has been successful over time. Pupils sitting examinations in the summer of 2023 throughout the different Key stages collectively achieved higher results than in previous years, with some of our most challenging secondary schools setting new records.

The detail:

a. Key performance indicators

Ofsted inspections – 22/23:

School	Ofsted Outcome
Windmill Primary School	Good in all areas
Wilnecote Secondary School	Good in all areas
Stoneydelph primary School	Continues to be Good with improvements required
Budbrooke Primary School	Good in all areas
Polesworth School	Good with outstanding Post 16, Behaviour, Personal Development and Leadership
Telford Park School	Inadequate Behaviour, Personal Development and Leadership with RI for Quality of Education – Inspected in May 22 – report published in September 2022.
Telford Park School	Monitoring visit – “Leaders have made progress to improve the school”

Windmill, Wilnecote, Budbrooke and Telford Park are schools our Trust sponsored having previously been operating in challenging circumstances.

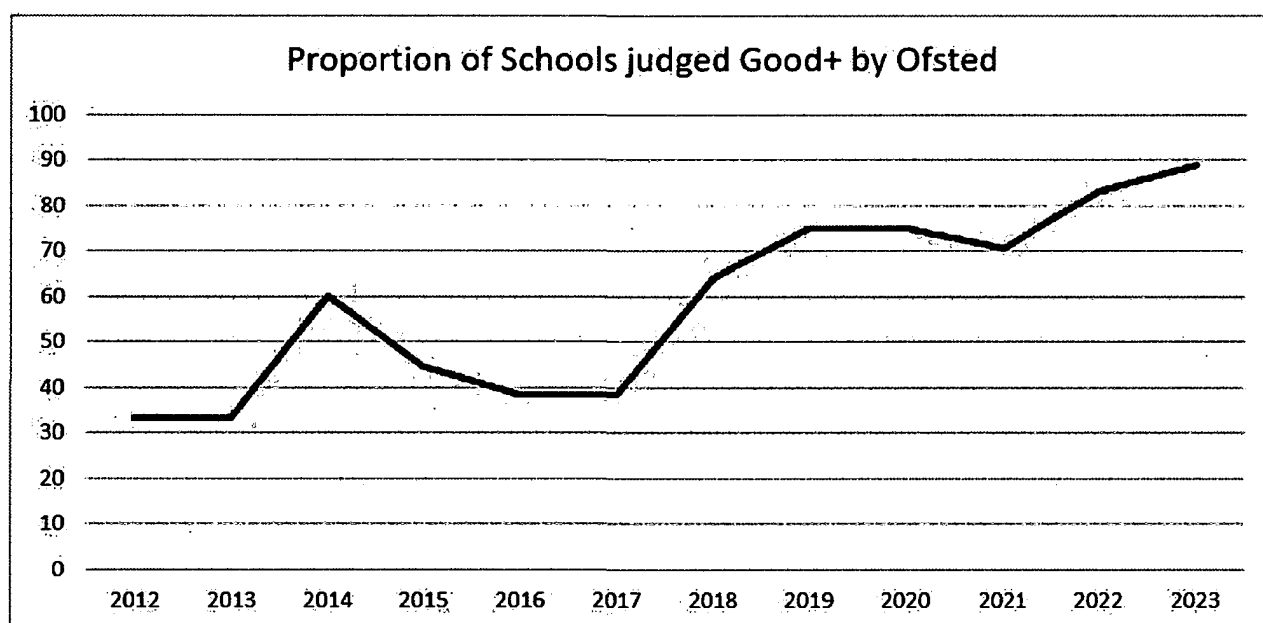
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators (continued)

The proportion of schools across the Trust providing a good or better education is now the highest it has been in the Trust's history. The graph below shows how this proportion has changed over time.



Interventions in our secondary schools – particularly those based in Telford who have experienced significant turbulence and challenge throughout the year have proved successful, with Telford Park and Telford Priory Schools achieving record GCSE results. Telford Park remains oversubscribed. Its progress was noted in the July 22 Ofsted monitoring visit.

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

Strategic report (continued)

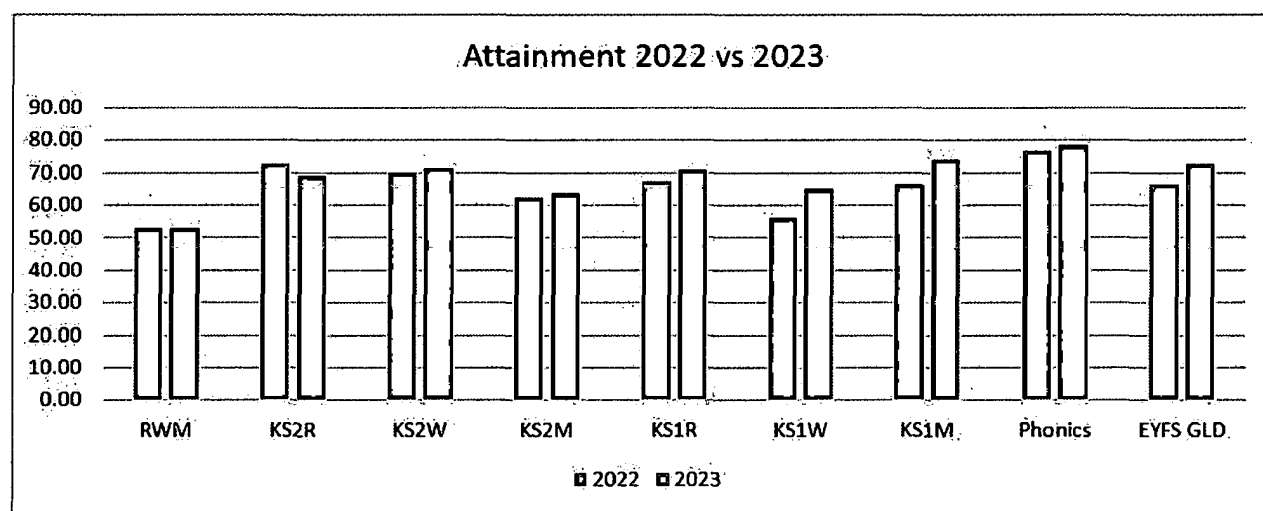
Achievements and performance (continued)

a. Key performance indicators (continued)

Examination Results 2023

Primary SAT and other Outcomes

The graph shows attainment aggregated by school:



Attainment has improved throughout the different Key stages, particularly amongst the youngest pupils. Only KS2 Reading saw a decline.

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

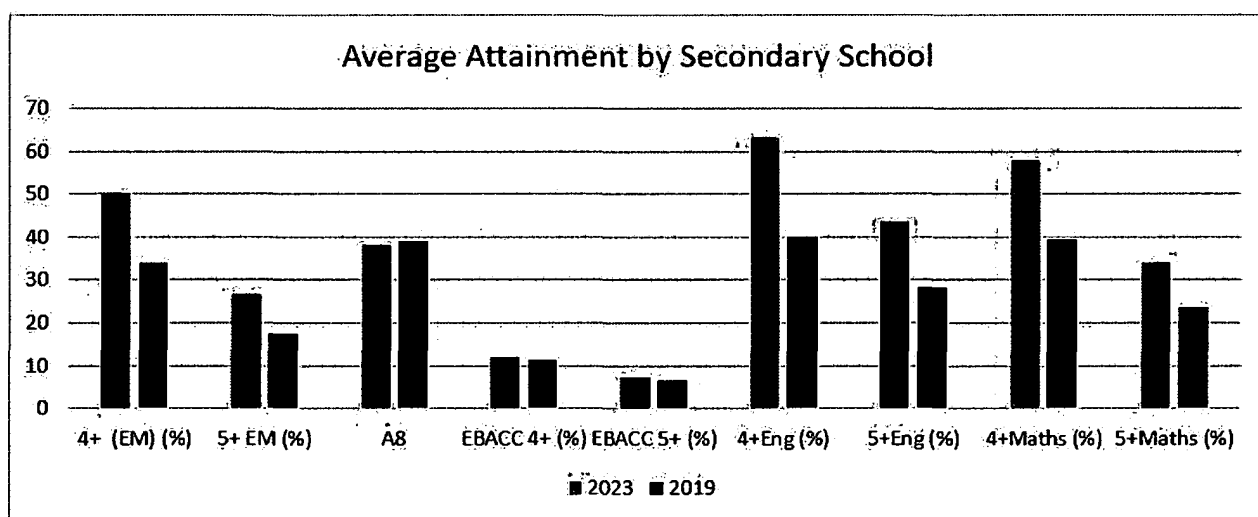
Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators (continued)

Secondary Outcomes

The graph shows GCSE outcomes aggregated by school compared to outcomes pre Covid in 2019:



The graph illustrates that on average, all areas of attainment were higher than pre covid, other than Attainment 8 which was marginally down.

b. Public Benefit

In the context described above, the Trustees of Community Academies Trust have complied with their duty to provide high quality education. Trustees have made reference to the Charity Commission guidance.

c. 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.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

d. Promoting the success of the company

In accordance with s.172 of the Companies Act 2006 the duty to promote the success of the Trust was complied with by our Board of Trustees through developing the Trust Strategic Plan and in the following ways:

- Committing to the development of:
 - o Expert Governance
 - o Quality of Education
 - o Workforce resilience and well being.
 - o Efficient operational structures
 - o Civic duty
- Our headteachers both give and receive professional coaching. This has proved extremely valuable during this challenging year with leaders stating it has supported their resilience and made the role less "lonely" in the face of unprecedented challenges.
- The Trust supports the professional development of all employees through our Developing People Programme, led by our Institute of Education.
- The Trust has committed to environmental sustainability through our Estate Strategy and has continued with building improvements throughout lockdown with the goal of keeping our estate safe, warm and dry.
- The Trust's long-term objective is the provision of free education in our communities. Our Board of Trustees ensure this is at the heart of their governance of trust decisions.

All the above activity is in pursuit of our charitable purpose and Trustees are profoundly grateful to our employees and governors for their dedication to our pupils and communities over another challenging year.

Financial review

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which are restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust also receives grants for tangible fixed assets and fixed asset donations. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants or donations are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2023, total expenditure of £64.1 million (2022 - £60.6million) was covered by recurrent grant funding from the ESFA together with other incoming resources resulting in total incoming resources of £64.0 million (2022 - £54.1 million). Excluding transactions involving fixed assets and pension liabilities the excess of income over expenditure for the year was £0.2m deficit (2022 - £0.5m surplus).

At 31 August 2023 the net book value of tangible fixed assets was £117.0 million (2022 - £117.6 million) and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used for providing education and the associated support services to the pupils of the Academy Trust and for the provision of leisure facilities to the community in accordance with the Trust's Articles of Association.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Financial review (continued)

At 31 August 2023 the LGPS pension liability was £4.3m (2022 - £8.8m). This change was mainly due to an operating charge of £0.6m (net of employer contributions) and to £5.1m gain due to changes in actuarial assumptions. Full details are shown in note 28. Trustees intend to continue to follow the actuaries' advice as regards future contributions in order that the scheme can pay pensions as they become due.

a. Impact of the covid-19 pandemic on the financial performance of the Trust

Overall, the covid 19 pandemic had a minimal impact on the financial performance of the Trust this year.

The Trust received school-led tutoring grants totaling £413k from the ESFA. Unfortunately, delivery of the tutoring was a challenge for many reasons in some schools including recruitment of suitable tutors, willingness of pupils to attend sessions outside the school day. We expect to return £101k of grant funding to the ESFA and this is accounted for in the Financial Statements.

The Trust received £372k of recovery Premium grant for the ESFA and the flexibilities of this grant meant it was spent in an impactful way to support children returning to education after the lockdowns of the pandemic.

b. Financial and Risk Management Objectives and Policies

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to the teaching, provision of facilities and other operational areas of the Academy Trust, and its finances. The Trustees have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas (e.g., in relation to teaching and learning and health and safety). They have introduced systems, including operational procedures and internal financial controls, to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls, and this is explained in more detail in the Governance Statement.

c. Reserves policy

The Trustees review the reserve levels of the Trust termly. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Reserves are also held to support the Trust's growth. Trustees currently target that the level of general reserves held should be sufficient to cover both 1 month's salary costs plus any known commitments. Current reserves are slightly above this target and investments of £5.0m are held to cover this (note 16). Note 20 analyses the reserves of the Trust between the constituent academies and the central services.

At 31 August 2023, reserves held by the Trust were as follows:

Restricted Fixed Assets	£119.4m
Restricted general excluding Pensions	£3.5m
Restricted pension	(£4.2m) (deficit)
Unrestricted	£1.3m
Total	£120.0m

COMMUNITY ACADEMIES TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The balance held on restricted fixed assets included £2,389k of School Condition Allocation and other capital grants received, earmarked for specific projects, the majority of which it is expected will be spent within the next financial year. The remainder of the restricted fixed assets fund can only be realised by disposing of tangible fixed assets.

The rest of the balance on both restricted general funds and unrestricted funds will be used for educational purposes in accordance with the objects of the Trust and the reserves policy approved by Trustees.

As with many members of the LGPS, the Shropshire and Staffordshire pension schemes are in deficit, the Warwickshire scheme has a small surplus of £781k. Following advice from our Auditor, Trustees do not intend to recognise this surplus as an asset. Trustees intend to continue to follow the actuaries' advice as regards future contributions in order that the scheme can pay pensions as they become due. It is anticipated that employer contributions into the fund will rise in future years.

d. Investment policy

Trustees believe that low risk bank deposit accounts are the most appropriate place to invest surplus cashflow. Advice is taken from the Trust's bankers and funds invested as follows:

Working capital is invested in a bank current account or equivalent. It is recognised that a small amount of interest is payable on this balance, but our bankers offer academies free banking which results in this lower interest rate.

Surplus cash is invested in a mixture of notice accounts with banking providers to earn higher interest rates than on the current account but to stagger easy access to funds over the year to meet cashflow requirements.

Any interest earned is paid into the Trust central budget to benefit all schools within our Trust.

Balances invested are reported to Trustees on the Finances and Resources Committee on a half-termly basis.

Trustees do not intend to invest reserves in stocks and shares or other volatile investments as they do not feel these represent an acceptable level of risk to the Trust.

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

e. Principal risks and uncertainties

To achieve our vision, we need to be aware of the principal risks that affect our work. The Trustees have assessed the major risks to which the Trust is exposed by reviewing and interrogating a risk register. The risks we face in a rapidly changing education landscape continue to evolve over time, but we summarise them under 10 strategic risks:

- The risk that we do not meet our governance obligations.
- The risk we cannot use our school premises to deliver education.
- The risk that our school premises are not safe.
- The risk that we are not a good employer.
- The risk that we are financially unsustainable.
- The risk that we do not comply with financial requirements.
- The risk that growth is not in line with trust objectives.
- The risk that schools do not obtain excellent outcomes for learners.
- The risk a child in our care is not safe.
- The risk that our reputation prevents us from achieving our goals.

The Board of Trustees reviews the risk register annually. The Audit and Risk committee of the Trust has the monitoring and mitigation of risk at the centre of its remit and carries out an in-depth review of selected strategic risks on a cyclical basis. The executive leadership of the Trust also review all risks annually and mitigation of risk is incorporated into the Trust's strategic plan and the performance objectives of individual staff members.

At present areas which the board consider to be high risk include:

- Unfunded cost pressures and uncertainty, predominantly in salary settlements and the cost of supply staff, energy, building materials, and general inflation.
- Pupil well-being in the context of the ongoing recovery from the covid-19 pandemic.
- Pupil achievement in the context of the ongoing recovery from the covid-19 pandemic.
- Pupil safeguarding in the context of the ongoing recovery from the covid-19 pandemic.
- The attendance and behaviour of our most vulnerable pupils
- Education funding nationally, including the extreme pressure on the high needs budget in each Local Authority.
- Staff recruitment and retention in a period of high employment
- The relationship between equal pay and TUPE when accepting schools into the Trust from previous organisations which operated on several different pay and grading schemes.

The Trustees are aware that the questionnaires concerning RAAC in each school building have been completed and submitted to the DfE and there are no incidents or issues arising in the Trust.

Over the year numerous actions have been taken to mitigate risk and improve consistency including:

- Planned series of internal audit and other checking procedures including annual safeguarding reviews, safer recruitment, financial probity, and school census completion.
- The commissioning of new school condition reports and their analysis to deliver a prioritised and value for money solution to new estates projects across the Trust.
- The engagement of external expertise to lead competitive procurements for our major estate projects.
- Creation of a central contracts register and processes to maintain its integrity.
- Development of reporting on health and safety checks, estates management compliance, risk assessment and staff training across the Trust.
- Development of a single professional development programme for all our employees utilising a coaching model.
- The promotion and use of the Community Academies Trust Institute of Education

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

Fundraising

The Academy Trust carries out a limited amount of fundraising at a local level, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in each school in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest, and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the Trust's complaints procedure.

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
Energy consumption use to calculate emissions (kWh)	9,176,159	11,529,720
Scope 1 emissions in metric tonnes CO ₂ e		
Gas consumption	1057.83	1420.85
Owned transport – mini-buses	3.89	3.31
Total scope 1	1,061.72	1424.16
Scope 2 emissions in metric tonnes CO ₂ e		
Purchased electricity	685.66	712.27
Scope 3 emissions in metric tonnes CO ₂ e		
Business travel in employee-owned vehicles	15.52	11.82
Total gross emissions in metric tonnes CO ₂ e	1762.90	2148.25
Intensity ratio		
Tonnes CO ₂ e per pupil	0.202	0.262

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency.

We continue with a rolling programme converting internal and external lighting to low energy and increasing building fabric insulation where practical. Solar installation at our secondary schools is nearing completion and we have seen tangible energy savings reducing our carbon footprint.

Grant funding has allowed us to produce Heat Decarbonisation Plans for each school within the Trust and will inform us of our decarbonisation strategy. We have also been awarded a PSDS grant for the installation of ASHP, Solar PV and other energy saving initiatives at two of the schools. This work will be completed by March 2025.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

Streamlined energy and carbon reporting (continued)

Energy awareness and behaviour activities at school level continue to deliver gas consumption savings across the Trust.

Plans for future periods

The Trust intends to focus resource and strategy on:

- Enhancing further and developing expert governance at all levels in the organisation
- Utilising the Institute of Education to enhance further and establish new higher standards expectations, developing further the Quality of Education
- Evolve the way we work with staff to ensure a resilient workforce with high levels of wellbeing evident.
- Build further our operational structures so that they are even more efficient and effective.
- Innovate to ensure our Trust is able to establish each school as an anchor institution in its community and use the capacity of our Trust and its networks to provide our communities with wider support.
- Create and manage a portfolio of capital investments centrally to deliver value for money on major estates projects and maintenance, refurbishments and school led initiatives that will create educational improvements.
- The analysis of the contracts register to plan and optimise Trust wide procurement leverage and deliver best value for money in our non-staff cost categories including facilities management.

Funds held as custodian on behalf of others

The Trust distributes 16-19 bursary funds to students as an agent for the ESFA. Financial information is provided in note 32 to the accounts.

Auditor

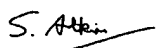
Mazars were appointed as auditors to the Trust for the 2022/23 financial year. Mazars have indicated their willingness to continue in office.

Statement as to disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' Annual Report is approved by order of the Board of Trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on
Dec 15, 2023 and signed on its behalf by:



Mr. S Atkins
Chair of Trustees

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Community Academies Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of Trustees' responsibilities. The main Board of Trustees met 6 times during the year. Attendance at meetings during the year was as follows:

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr. S Atkins, Chair	6	6
Mr. G Brown	3	6
Mr. T Farnworth	4	5
Mr. P Rubery	5	6
Mr. S Sibley	0	1
Mrs. S Stewart	4	6
Mr. R Vernon	6	6
Rev. S Wallis	6	6

Conflicts of Interest

The Academy Trust maintains an up-to-date and complete register of interests and considers this information when entering into any financial or day-to-day management activity of the Trust. Interests are declared at the start of each Trustee meeting. If an interest is judged to conflict with an agenda item, the relevant Trustee is required to leave the meeting while that item is discussed.

Governance reviews

There have been no member vacancies or Trustee vacancies during 2022/23. An external governance review is planned for spring 2024 that will inform the requirement going forward.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Audit & Risk Committee

The audit committee is a subcommittee of the main Board of Trustees. The purpose of the audit committee is to advise the board on matters relating to the Trust's audit arrangements, risk, and systems of internal control and to aid the board's responsibility to ensure sound management of the Trust's finances and resources. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr G Brown (Chair)	3	3
Mr. S Atkins	3	3
Mr. Peter Rubery	2	3
Mr. S Mirza (Co-opted governor)	2	3

Staffing & Remuneration Committee

The Staffing and Remuneration committee is a sub-committee of the main Board of Trustees. The purpose of the Staffing and Remuneration committee is to advise the board on matters relating to employee and executive pay. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs. S Stewart (Chair)	2	3
Mr. S Atkins	3	3
Mr S. Wallis	3	3

Finance and Resources Committee

The Finance and Resources committee is a sub-committee of the main Board of Trustees. The purpose of the Finance and Resources committee is to advise the board on matters relating to financial performance and sustainability. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr R. Vernon (Chair)	6	6
Mr S. Atkins	6	6
Mr. T Farnworth	5	5

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer, the Chief Executive has responsibility for ensuring that the 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 available. The Accounting Officer has delivered improved value for money during the year by:

- Monitoring H&S and Estates compliance checks via the Smartlog system and controlling mandatory training that extends assets useful life through maintenance.
- Continuing to invest in the fabric of our buildings to ensure they remain safe, warm, and dry. This includes the £1.8m investment of Public Sector Decarbonisation Scheme funding into heat decarbonisation and energy efficiency measures.
- Continuing to carry out competitive procurement processes in line with our policies including the use of Procurement Frameworks that enable value for money and assurance of compliance with regulation e.g. ESPO and Think IT.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Community Academies Trust for the year 1 September 2022 to 31 August 2023 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating, and managing the Trust's significant risks that has been in place for the year to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees. The Audit Committee considers risk at every meeting.

Trustees are aware of their responsibilities and have directed several reviews to carry out regular scrutiny of financial and other data. The system of internal control aims to provide as much assurance as is reasonably possible (not absolute assurance) that assets are safeguarded, transactions are properly authorised and recorded, and that material errors or irregularities are either prevented or can be detected promptly.

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

The 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. 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 board of Trustees 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 including the comparison of key performance indicators.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties; and
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and appointed RB Chartered Accountant to act as internal auditor as directed by the audit committee. The appointment of RB Chartered Accountant is in line with the FRC Ethical Standard for auditors as the internal auditor remains independent of the external auditor.

The programme of review for 22/23 focused solely on the significant changes to the financial procedures of the Trust because of the implementation of the DfE chart of accounts alongside a suite of integrated finance systems. The programme consisted of reviews at 6 academies including:

- Purchase ledger review – supplier selection, order authorisation, invoice approval, appropriate coding, and expense claims
- Payroll reconciliation – checking proposed and actual payroll to standing data.

In addition, an on-site review of the head office functions included checks on:

- Transfer of opening balances between accounting systems
- Income coding
- VAT reclaims.
- Banking
- Payroll journal and 3rd party payments

The schedule of work as planned by the audit committee has been delivered. Any control issues highlighted have been or are being resolved.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

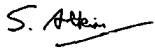
Review of effectiveness

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year this has been informed by:

- The work of the themed risk reviews
- The work of the external auditor
- The financial management and governance self-assessment process
- The work of the Executive Director (Finance and Operations) and finance team who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Trustees and a plan to address weaknesses if relevant and ensure continuous improvement of the system is in place.

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



Mr. S Atkins
Chair of Trustees

Date: Dec 15, 2023


Philip Hamilton (Dec 15, 2023 11:20 GMT)

Mr. P Hamilton
Accounting Officer

Date: Dec 15, 2023

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Community Academies Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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

Philip Hamilton
Philip Hamilton (Dec 15, 2023 11:20 GMT)

Mr. P Hamilton
Accounting Officer
Date: Dec 15, 2023

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

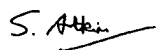
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



Mr. S Atkins
Chair of Trustees
Date: Dec 15, 2023

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
COMMUNITY ACADEMIES TRUST**

Opinion

We have audited the financial statements of Community Academies Trust (the 'Academy Trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, 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 2022 to 2023 issued by the Education & Skills Funding Agency.

In our opinion, the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements section" of our report. We are independent of the company 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 Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
COMMUNITY ACADEMIES TRUST**

Other information

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

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 course of 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 this gives rise to a material misstatement in the financial statement. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the incorporated strategic report.

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

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

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
COMMUNITY ACADEMIES TRUST**

Responsibilities of Trustees'

As explained more fully in the Trustees' responsibilities statement set out on page 27, the Trustees' (who are also the Directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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 activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Academy Trust is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the funding agreement with the Department of Education, tax legislation, pension legislation, the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
COMMUNITY ACADEMIES TRUST**

Auditor's responsibilities for the audit of the financial statements (continued)

In addition, 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 related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut off assertion subject to your revenue recognition significant fraud risk) and significant one-off or unusual transactions.

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

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

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. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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


David Hoose (Dec 15, 2023 13:17 GMT)

David Hoose (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 15, 2023

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO COMMUNITY ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 17 October 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Community Academies Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Community Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Community Academies Trust's funding agreement with the Secretary of State for Education dated 10 December 2013 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by the 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 includes:

- Planning our assurance procedures including identifying key risks
- Carrying out sample testing on controls
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO COMMUNITY ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

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


Mazars LLP (Dec 15, 2023 13:17 GMT)

Mazars LLP
Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 15, 2023

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

		Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
	Note					
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		-	-	-	-	(2,440)
Other donations and capital grants		53	93	3,805	3,951	2,004
Other trading activities	5	965	-	-	965	660
Investments	6	179	-	-	179	32
Charitable activities:						
Funding for the academy trust's educational operations	4	447	58,424	-	58,871	53,798
Total income		1,644	58,517	3,805	63,966	54,054
Expenditure on:						
Raising funds	7	871	-	-	871	760
Charitable activities:						
Academy trust educational operations	8	407	59,188	3,715	63,310	59,833
Total expenditure		1,278	59,188	3,715	64,181	60,593
Net income/ (expenditure)		366	(671)	90	(215)	(6,539)

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

		Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
	Note					
Net income/ (expenditure) brought forward		366	(671)	90	(215)	(6,539)
Transfers between funds	20	-	(1,458)	1,458	-	-
Net movement in funds before other recognised gains/(losses)		366	(2,129)	1,548	(215)	(6,539)
Actuarial gains on defined benefit pension schemes	28	-	5,104	-	5,104	29,240
Net movement in funds		366	2,975	1,548	4,889	22,701
Reconciliation of funds:						
Total funds brought forward		974	(3,728)	117,868	115,114	92,413
Net movement in funds		366	2,975	1,548	4,889	22,701
Total funds carried forward		1,340	(753)	119,416	120,003	115,114

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07472736

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	14	6	39
Tangible assets	15	117,021	117,606
Investments	16	5,003	3,753
		<u>122,030</u>	<u>121,398</u>
Current assets			
Debtors	17	3,417	1,893
Cash at bank and in hand		5,168	6,447
		<u>8,585</u>	<u>8,340</u>
Creditors: amounts falling due within one year	18	(6,253)	(5,641)
Net current assets		<u>2,332</u>	<u>2,699</u>
Total assets less current liabilities		<u>124,362</u>	<u>124,097</u>
Creditors: amounts falling due after more than one year	19	(98)	(156)
Net assets excluding pension liability		<u>124,264</u>	<u>123,941</u>
Defined benefit pension scheme liability	28	(4,261)	(8,827)
Total net assets		<u><u>120,003</u></u>	<u><u>115,114</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	20	119,416	117,868
Restricted income funds	20	3,508	5,099
Pension reserve	20	(4,261)	(8,827)
Total restricted funds	20	<u>118,663</u>	<u>114,140</u>
Unrestricted income funds	20	<u>1,340</u>	<u>974</u>
Total funds		<u><u>120,003</u></u>	<u><u>115,114</u></u>

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements on pages 34 to 74 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

S. Atkins

.....
Mr. S Atkins
Chair of Trustees
Date: Dec 15, 2023

The notes on pages 39 to 74 form part of these financial statements.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	22	256	1,236
Cash flows from investing activities	24	(1,477)	(1,153)
Cash flows from financing activities	23	(58)	(58)
Change in cash and cash equivalents in the year		(1,279)	25
Cash and cash equivalents at the beginning of the year		6,447	6,422
Cash and cash equivalents at the end of the year	25, 26	<u>5,168</u>	<u>6,447</u>

The notes on pages 39 to 74 form part of these financial statements

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

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic 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 (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 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 Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that 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.

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

1. Accounting policies (continued)

1.3 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 year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

The Academy Trust is benefiting from the ESFA's Priority Schools Building Programme. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the Academy Trust controls through lease the site where a development is occurring. The expenditure is capitalised in assets under construction until the project is complete.

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 year it is receivable and to the extent the Academy Trust has provided the goods or services.

Transfer on conversion

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

Transfer of existing academies into the Academy Trust

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

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

1. Accounting policies (continued)

1.3 Income (continued)

Donated fixed assets (excluding transfers on conversion or into the Academy Trust)

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' 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.

1.4 Expenditure

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

Expenditure on raising funds

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

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Intangible assets

Intangible assets costing £25,000 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Purchased computer software - 5 years

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

1. Accounting policies (continued)

1.6 Tangible fixed assets

Assets costing £25,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold property	-	2% (50 years)
Long-term leasehold property	-	2% (50 years)
Long leasehold land	-	Period of lease (normally 125 years)
Furniture and equipment	-	10 - 15% (6-10 years)
Computer equipment	-	33% 3 years
Motor vehicles	-	25% 4 years
Building improvements	-	7% 15 years

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

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

1.7 Fixed asset investments

Cash held in deposit accounts with a notice period greater than one year are classified as fixed asset investments. They are measured at cost less impairment.

1.8 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.

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

1. Accounting policies (continued)

1.9 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.

1.10 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

1.11 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. 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 18 and 19. 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.

1.12 Taxation

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

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

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

1. Accounting policies (continued)

1.13 Pensions

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

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

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

1.14 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 the 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.

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

2. 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The total value of the Academy Trust's share of the pension scheme asset on 31 August 2023 was £36,191k and the value of the defined benefit obligations was £40,452k; resulting in an overall deficit of £4,261k. Note 28 includes details of the effects of changes in the key assumptions on this liability. Where the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, as is the case for the Academy Trust's share of the LGPS in a particular County the Trust operates in, that element of the plan has a notional surplus. As management do not consider that the Trust will be able to recover the surplus, either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102.

Where school premises are held on a licence to occupy pending a full legal transfer, they are treated as a donation at the time the school joins the trust and valued in accordance with the substance of the transaction. The premises at The Telford Langley school are therefore held as a freehold and the premises at Kingsway Community Primary school as leasehold despite the legal title at the year end being that they are held under a licence to occupy.

Investments held in 1 year savings accounts are treated as fixed assets as the intention is to reinvest these. They are held in accordance with the trust Reserves policy.

Impairment of assets

Where indicators of impairment are identified, management will carry out an impairment review at the period end, to establish whether the carrying value of the affected asset or asset group remains appropriate. This involves the exercise of judgement by management.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Transfer on conversion from local authority	-	-	-	-	(2,440)
Donations	53	93	-	146	54
Capital Grants	-	-	3,805	3,805	1,564
Donated fixed assets	-	-	-	-	386
Total 2023	53	93	3,805	3,951	(436)
Total 2022	16	38	(490)	(436)	

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

4. Funding for the Academy Trust's charitable activities

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	47,425	47,425	45,220
Other DfE/ESFA grants				
Pupil premium	-	3,193	3,193	2,967
Teachers' Pension and Pay Grants	-	81	81	122
UIFSM	-	382	382	397
School supplementary grant	-	2,095	2,095	472
Other DfE Group Grants	-	1,906	1,906	1,528
	-	55,082	55,082	50,706
Other Government grants				
Local authority grants	-	2,485	2,485	1,793
	-	2,485	2,485	1,793
Other income from the academy trust's educational operations	447	857	1,304	1,299
Total 2023	447	58,424	58,871	53,798
Total 2022	1,108	52,690	53,798	

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Hire of facilities	264	264	243
Income from other charitable activities	513	513	9
Income from ancillary trading activities	188	188	408
	<u>965</u>	<u>965</u>	<u>660</u>
Total 2022	<u>660</u>	<u>660</u>	

6. Investment income

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Short term deposits	179	179	32
	<u>32</u>	<u>32</u>	
Total 2022	<u>32</u>	<u>32</u>	

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

7. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Expenditure on fundraising trading activities:					
Direct costs	8	48	815	871	760
Academy Trust's educational operations:					
Direct costs	39,978	3,246	4,624	47,848	47,767
Allocated support costs	7,293	4,956	3,213	15,462	12,066
	<u>47,279</u>	<u>8,250</u>	<u>8,652</u>	<u>64,181</u>	<u>60,593</u>
Total 2022	<u>46,166</u>	<u>5,244</u>	<u>9,183</u>	<u>60,593</u>	

8. Charitable activities

	2023 £000	2022 £000
Direct costs - educational operations	47,848	47,767
Support costs - educational operations	15,462	12,066
	<u>63,310</u>	<u>59,833</u>
Analysis of support costs	2023 £000	2022 £000
Support staff costs	7,293	6,925
Technology costs	235	111
Premises costs	4,956	1,831
Legal costs - conversion	-	18
Legal costs - other	83	-
Other support costs	2,818	3,103
Support governance	77	78
	<u>15,462</u>	<u>12,066</u>

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023	2022
	£000	£000
Operating lease rentals	107	88
Depreciation of tangible fixed assets	3,214	3,227
Amortisation of intangible assets	33	18
Fees paid to auditors for:		
- audit	40	36
- other services	11	4
	<u> </u>	<u> </u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£000	£000
Wages and salaries	34,080	31,314
Social security costs	3,334	3,193
Pension costs	8,333	10,106
	<u> </u>	<u> </u>
	45,747	44,613
Agency staff costs	1,455	1,418
Staff restructuring costs	77	135
	<u> </u>	<u> </u>
	47,279	46,166
	<u> </u>	<u> </u>

Staff restructuring costs comprise:

	2023	2022
	£000	£000
Redundancy payments	-	48
Severance payments	77	87
	<u> </u>	<u> </u>
	77	135
	<u> </u>	<u> </u>

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

10. Staff (continued)

b. Severance payments

The Academy Trust paid 5 severance payments in the year, disclosed in the following bands:

	2023 No.
£0 - £25,000	4
£25,001 - £50,000	1

c. Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £19k. Individually the payments were £3k, £11k and £5k.

d. Staff numbers

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

	2023 No.	2022 No.
Teachers	510	505
Administration and support	746	762
Management	35	36
	1,291	1,303

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

10. Staff (continued)

e. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	27	14
In the band £70,001 - £80,000	17	12
In the band £80,001 - £90,000	4	5
In the band £90,001 - £100,000	2	1
In the band £100,001 - £110,000	3	4
In the band £110,001 - £120,000	1	1
In the band £130,001 - £140,000	-	1
In the band £140,001 - £150,000	1	-
In the band £160,001 - £170,000	-	1
In the band £170,001 - £180,000	1	-

f. 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 £2,613k (2022 - £2,492k).

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

11. Central services

The Academy Trust has provided the following central services to its academies during the year:

- School improvement
- Financial services (including finance and budget management software)
- Payroll management (including payroll software)
- Human Resources
- Trade union facilities time
- Asset management
- Health & Safety (including compliance software)
- Staff development
- Risk management
- Treasury management
- Statutory reporting

The Academy Trust charges for these services on the following basis:

The management fee is typically based on the total school allocation + 16-19 allocation per GAG and a % is charged on this including supplementary grant income. The charge is 5% for all schools.

The actual amounts charged during the year were as follows:

	2023 £000	2022 £000
The Polesworth School	433	330
Dordon Primary School	49	37
Birchwood Primary School	98	75
The Wilnecote School	252	179
The Telford Park School	238	163
The Telford Langley School	348	252
Wood End Primary School	36	28
Budbrooke Primary School	45	36
Woodloes Primary School	82	70
The Telford Priory School	359	241
Stratford-Upon-Avon Primary School	48	36
Grange Park Primary School	105	87
Chadsmead Primary Academy	57	46
Heathcote Primary School	68	51
Windmill Primary School	90	75
Stoneydelph Primary School	62	52
Kingsway Community Primary School	41	34
The Woodlands Community Primary School	65	49
Total	2,476	1,841

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £Nil).

13. Trustees' and Officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000 (as per the RPA certificate). It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme membership.

14. Intangible assets

	Computer software £000
Cost	
At 1 September 2022	90
At 31 August 2023	<u>90</u>
Amortisation	
At 1 September 2022	51
Charge for the year	33
At 31 August 2023	<u>84</u>
Net book value	
At 31 August 2023	<u>6</u>
At 31 August 2022	<u>39</u>

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

15. Tangible fixed assets

	Freehold property £000	Long-term leasehold property £000	Leasehold improvements £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation								
At 1 September 2022	63,201	57,294	10,934	993	2,892	2,010	9	137,333
Additions	-	-	1,827	703	38	61	-	2,629
Transfers between classes	-	(838)	1,831	(993)	-	-	-	-
At 31 August 2023	63,201	56,456	14,592	703	2,930	2,071	9	139,962
Depreciation								
At 1 September 2022	6,572	6,286	2,699	-	2,762	1,399	9	19,727
Charge for the year	696	949	1,169	-	50	350	-	3,214
Transfers between classes	-	(72)	72	-	-	-	-	-
At 31 August 2023	7,268	7,163	3,940	-	2,812	1,749	9	22,941
Net book value								
At 31 August 2023	55,933	49,293	10,652	703	118	322	-	117,021
At 31 August 2022	56,629	51,008	8,235	993	130	611	-	117,606

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

16. Fixed asset investments

	Cash deposits £000
Cost	
At 1 September 2022	3,753
Additions	1,250
At 31 August 2023	5,003
Net book value	
At 31 August 2023	5,003
At 31 August 2022	3,753

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

17. Debtors

	2023	2022
	£000	£000
Due after more than one year		
Accrued income	317	-
	<u>317</u>	<u>-</u>
Due within one year		
Trade debtors	114	55
Other debtors	222	432
Prepayments and accrued income	2,764	1,406
	<u>3,417</u>	<u>1,893</u>

18. Creditors: Amounts falling due within one year

	2023	2022
	£000	£000
Other loans (note 19)	59	59
Trade creditors	1,479	1,625
Other taxation and social security	807	745
Other creditors	851	755
Accruals and deferred income	3,057	2,457
	<u>6,253</u>	<u>5,641</u>

	2023	2022
	£000	£000
Deferred income at 1 September 2022	766	466
Resources deferred during the year	387	766
Amounts released from previous periods	(766)	(466)
Deferred income at 31 August	<u>387</u>	<u>766</u>

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

18. Creditors: Amounts falling due within one year (continued)

Deferred income held at 31 August 2023, relates to the following:

- £235k (2022 - £234k) Universal Infant Free School Meals
- £123k (2022 - £Nil) SEN funding
- £7k (2022 - £362k) Trip income
- £22k (2022 - £170k) Other income

19. Creditors: Amounts falling due after more than one year

	2023	2022
	£000	£000
Other loans	98	156

The Trust holds "Salix" and "SEEF" loans from the Government. The total amount owed as at 31 August 2023 is £157k of which £59k is repayable in the next financial year, and £98k payable with in 1 to 5 years. These loans are provided to support energy efficient capital investment, are unsecured and no interest is charged.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
General funds	974	1,644	(1,278)	-	-	1,340
Restricted general funds						
General Annual Grant (GAG)	5,099	47,425	(47,558)	(1,458)	-	3,508
School supplementary grant	-	2,095	(2,095)	-	-	-
Pupil premium	-	3,193	(3,193)	-	-	-
Other grants and restricted funds	-	5,804	(5,804)	-	-	-
Pension reserve	(8,827)	-	(538)	-	5,104	(4,261)
	(3,728)	58,517	(59,188)	(1,458)	5,104	(753)

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds (continued)

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Restricted fixed asset funds						
Transfer on conversion and asset donations	106,016	-	(3,170)	-	-	102,846
DfE Group capital grants and other capital grants	9,785	3,805	(535)	-	-	13,055
Capital expenditure from GAG	2,067	-	(10)	1,458	-	3,515
	<u>117,868</u>	<u>3,805</u>	<u>(3,715)</u>	<u>1,458</u>	<u>-</u>	<u>119,416</u>
Total Restricted funds	<u>114,140</u>	<u>62,322</u>	<u>(62,903)</u>	<u>-</u>	<u>5,104</u>	<u>118,663</u>
Total funds	<u>115,114</u>	<u>63,966</u>	<u>(64,181)</u>	<u>-</u>	<u>5,104</u>	<u>120,003</u>

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

20. Statement of funds (continued)

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

Restricted general funds

General Annual Grant (GAG) must be used for the normal running of the Academy. There is no restriction on the amount of GAG that can be carried forward to future years.

Supplementary grant must be used to support the needs of pupils, staff and address cost pressures.

Pupil Premium must be used to support their disadvantaged pupils and close the gap between them and their peers.

Other DfE/ESFA grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment.

Other grants comprise of funding provided from the local authority as well as from other sources for use for specific purposes. This includes funding provided for pupils with Statements of Special Educational Needs and is used by the academies to assist with the pupils education.

The pension reserve arises from the actuarial measurement of each academy's share of the Local Government Pension Scheme (LGPS) deficit. The deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of each academy in the restricted pension fund. The amount included within resources expended represents the pension costs for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year.

Unrestricted funds represent those resources which may be used towards meeting any of the objects of the Trust at the discretion of the Trustees. These are not currently designated for particular purposes.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds (continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
General funds	917	1,816	(1,759)	-	-	974
Restricted general funds						
General Annual Grant (GAG)	4,484	45,220	(44,238)	(367)	-	5,099
UIFSM	-	397	(397)	-	-	-
Pupil premium	-	2,967	(2,967)	-	-	-
Catch-up premium	56	372	(428)	-	-	-
Other DfE/ESFA Covid 19	-	82	(82)	-	-	-
Other grants	474	3,691	(4,165)	-	-	-
Pension reserve	(34,970)	-	(3,097)	-	29,240	(8,827)
	(29,956)	52,729	(55,374)	(367)	29,240	(3,728)

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds (continued)

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Restricted fixed asset funds						
Transfer on conversion and asset donations	45,468	(2,440)	(1,296)	-	-	41,732
DfE Group capital grants and other capital grants	8,437	1,564	(240)	-	-	9,761
Capital expenditure from GAG	1,750	-	(50)	367	-	2,067
Transfer on business combination	46,632	-	(1,329)	-	-	45,303
Asset donations	19,140	386	(545)	-	-	18,981
Private capital sponsorship	25	-	(1)	-	-	24
	<u>121,452</u>	<u>(490)</u>	<u>(3,461)</u>	<u>367</u>	<u>-</u>	<u>117,868</u>
Total Restricted funds	<u>91,496</u>	<u>52,239</u>	<u>(58,835)</u>	<u>-</u>	<u>29,240</u>	<u>114,140</u>
Total funds	<u>92,413</u>	<u>54,055</u>	<u>(60,594)</u>	<u>-</u>	<u>29,240</u>	<u>115,114</u>

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023	2022
	£000	£000
Birchwood Primary School	251	244
Budbrooke Primary School	229	198
Chadsmead Primary Academy	302	389
Dordon Primary School	453	374
Grange Park Primary School	193	147
Heathcote Primary School	181	235
Kingsway Community Primary School	15	104
Stoneydelph Primary School	1	60
Stratford-Upon-Avon Primary School	130	114
The Polesworth School	798	1,308
The Telford Langley School	252	509
The Telford Park School	186	363
The Telford Priory School	257	508
The Wilnecote School	(94)	(70)
Windmill Primary School	30	70
Wood End Primary School	125	126
Woodloes Primary School	156	220
The Woodlands Community Primary School	482	420
Central	901	754
Total before fixed asset funds and pension reserve	4,848	6,073
Restricted fixed asset fund	119,416	117,868
Pension reserve	(4,261)	(8,827)
Total	120,003	115,114
		Deficit
		£000
The Wilnecote School		94

The Wilnecote School was in deficit at 31 August 2023 as shown above. This is a planned position as a result of lagged funding in respect of pupil growth, supported by the reserves of the Trust overall. The school has prepared a recovery plan and this has been approved by the Board of Trustees. Trustees anticipate that it will take until August 2025 for the school to be out of deficit and progress against this plan is being formally monitored on a termly basis.

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Birchwood Primary School	1,581	147	74	400	2,202	2,167
Budbrooke Primary School	673	117	20	264	1,074	1,024
Chadsmead Primary Academy	840	219	46	345	1,450	1,397
Dordon Primary School	811	50	27	224	1,112	1,132
Grange Park Primary School	2,024	159	67	439	2,689	2,664
Heathcote Primary School	1,350	142	34	392	1,918	1,730
Kingsway Community Primary School	631	53	34	297	1,015	1,021
Stoneydelph Primary School	1,179	151	82	358	1,770	1,596
Stratford-Upon-Avon Primary School	777	128	34	262	1,201	1,094
The Polesworth School	6,373	1,261	128	1,489	9,251	8,812
The Telford Langley School	5,210	774	309	1,694	7,987	6,618
The Telford Park School	3,630	469	266	1,109	5,474	4,509
The Telford Priory School	5,615	756	198	1,521	8,090	6,792
The Wilnecote School	3,513	601	239	939	5,292	4,808
Windmill Primary School	1,622	270	67	479	2,438	2,367
Wood End Primary School	621	78	32	198	929	822
Woodloes Primary School	1,590	225	85	330	2,230	2,141

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

20. Statement of funds (continued)

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
The Woodlands Community Primary School	1,005	78	48	296	1,427	1,414
Central services	931	1,088	11	818	2,848	2,143
Pension FRS102 adjustment	-	538	-	-	538	3,097
Academy Trust	39,976	7,304	1,801	11,854	60,935	57,348

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	117,021	117,021
Intangible fixed assets	-	-	6	6
Fixed asset investments	-	5,003	-	5,003
Debtors due after more than one year	-	-	317	317
Current assets	1,340	4,856	2,072	8,268
Creditors due within one year	-	(6,253)	-	(6,253)
Creditors due in more than one year	-	(98)	-	(98)
Provisions for liabilities and charges	-	(4,261)	-	(4,261)
Total	1,340	(753)	119,416	120,003

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

21. Analysis of net assets between funds (continued)

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

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	117,606	117,606
Intangible fixed assets	-	-	39	39
Fixed asset investments	-	3,753	-	3,753
Current assets	975	7,143	222	8,340
Creditors due within one year	-	(5,641)	-	(5,641)
Creditors due in more than one year	-	(156)	-	(156)
Provisions for liabilities and charges	-	(8,827)	-	(8,827)
Total	975	(3,728)	117,867	115,114

22. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £000	2022 £000
Net expenditure for the year (as per Statement of financial activities)	(215)	(6,539)
Adjustments for:		
Amortisation	33	18
Depreciation	3,214	3,227
Capital grants from DfE and other capital income	(3,805)	(1,564)
Capital donations from DfE	-	(156)
Capital donations from Local Authority	-	(230)
Interest receivable	(179)	(32)
Defined benefit pension scheme cost less contributions payable	176	2,508
Defined benefit pension scheme finance cost	362	589
Decrease/(increase) in debtors	58	(118)
Increase in creditors	612	1,093
Transfer from local authority	-	2,440
Net cash provided by operating activities	256	1,236

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

23. Cash flows from financing activities

	2023 £000	2022 £000
Repayments of borrowing	(58)	(58)
Net cash used in financing activities	(58)	(58)

24. Cash flows from investing activities

	2023 £000	2022 £000
Interest received	179	32
Purchase of tangible fixed assets	(2,629)	(1,996)
Capital grants from DfE Group	2,223	1,564
Increase in fixed asset investments	(1,250)	(753)
Net cash used in investing activities	(1,477)	(1,153)

25. Analysis of cash and cash equivalents

	2023 £000	2022 £000
Cash in hand and at bank	4,078	4,947
Notice deposits (less than 3 months)	1,090	1,500
Total cash and cash equivalents	5,168	6,447

26. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	6,447	(1,279)	5,168
Debt due within 1 year	(59)	-	(59)
Debt due after 1 year	(156)	58	(98)
	6,232	(1,221)	5,011

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

27. Capital commitments

	2023	2022
	£000	£000
Contracted for, but not provided in the financial statements	946	999

Commitments at the year end represented planned school capital projects, funded from the balance on the School Condition Allocation and trust revenue balances.

28. Pension commitments

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 Warwickshire County Council, Staffordshire County Council or Shropshire County Council depending on the location of the school. All are multi-employer defined benefit schemes.

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

Contributions amounting to £842k were payable to the schemes at 31 August 2023 (2022 - £763k) 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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

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

28. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £5,164k (2022 - £4,704k).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £3,031k (2022 - £2,590k), of which employer's contributions totalled £2,419k (2022 - £2,064k) and employees' contributions totalled £612k (2022 - £526k). The agreed contribution rates for future years are 22.8 per cent for employers and 5.5 - 12.5 per cent for employees.

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

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

28. Pension commitments (continued)

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.5 - 4.05	3.50 - 4.20
Rate of increase for pensions in payment/inflation	2.8 - 3.0	3.00 - 3.10
Discount rate for scheme liabilities	5.2 - 5.3	4.00

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

	2023	2022
	Years	Years
Retiring today		
Males	19.2 - 21.7	21.2 - 22.9
Females	23.9 - 24.3	23.8 - 25.1
Retiring in 20 years		
Males	21.6 - 23.0	22.2 - 24.1
Females	25.5 - 25.9	25.5 - 26.7

Sensitivity analysis on the defined benefit obligations

	2023	2022
	£000	£000
Discount rate -0.1%	874	974
Mortality assumption - 1 year increase	1,298	1,332
CPI rate +0.1%	829	918
Salary rate increase 0.1%	107	102

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

28. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	21,383	19,201
Corporate bonds	8,180	7,407
Property	3,783	2,775
Cash and other liquid assets	491	726
Other	3,135	3,028
Total market value of assets	36,972	33,137

The amounts recognised in the Statement of financial activities are as follows:

	2023 £000	2022 £000
Current service cost	2,559	4,572
Interest cost	362	589
Total amount recognised in the Statement of financial activities	2,921	5,161

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

	2023 £000	2022 £000
At 1 September	41,962	66,847
Current service cost	2,559	4,572
Interest cost	1,823	1,137
Employee contributions	612	526
Actuarial gains	(5,774)	(30,676)
Benefits paid	(730)	(444)
At 31 August	40,452	41,962

COMMUNITY ACADEMIES TRUST
(A company limited by guarantee)

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

28. Pension commitments (continued)

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

	2023 £000	2022 £000
At 1 September	33,135	31,877
Admin expenses	(36)	-
Interest income	1,461	548
Actuarial losses	(670)	(1,436)
Employer contributions	2,419	2,064
Employee contributions	612	526
Benefits paid	(730)	(444)
At 31 August	36,191	33,135

Included in the actuarial gains/(losses) within the scheme assets table above is £781k of notional surplus not recognised.

29. Operating lease commitments

At 31 August 2023 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £000	2022 £000
Not later than 1 year	139	107
Later than 1 year and not later than 5 years	89	191
Later than 5 years	6	-
	234	298

30. Members' liability

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

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

31. Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from the local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with The Academies Handbook and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transactions took place in the financial period:

Miss H Mason, daughter of Mr S Mason, a Member, is employed by the Academy Trust as a teacher. Miss H Mason's appointment was made in open competition and Mr S Mason was not involved in the decision making process regarding appointment. Miss H Mason is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Member.

Mrs S Atkins, spouse of Mr S Atkins, a Trustee, is employed by the Academy Trust as a casual exam invigilator. Mrs S Atkins' appointment was made in open competition and Mr S Atkins was not involved in the decision making process regarding appointment. Mrs S Atkins is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Trustee.

Neil and Hammer, and Central Warwickshire Shotokan Karate are businesses owned and run by the spouse of Mrs S Byrne, headteacher at Kingsway Primary School and part of the senior management team of the Trust.

The Trust purchased caretaking and cleaning services worth £11k (2022 - £12k) from Neil and Hammer during the year. There were no amounts outstanding at 31 August 2023. The Trust made the purchase at arms length, following a competitive tendering process in line with the Procurement Policy, which Mrs Byrne neither participated in nor influenced. In entering into the transaction the Trust has complied with the Academies Handbook.

The Trust purchased sports coaching services worth £Nil (2022 - £2k) from Central Warwickshire Shotokan Karate during the year. There were no amounts outstanding at 31 August 2023. The Trust made the purchase at arms length in line with the Procurement Policy. Mrs Byrne neither participated in nor influenced the appointment. In entering into the transaction the Trust has complied with the Academies Handbook.

The Trust let sporting facilities worth £1k (2022 - £2k) to Central Warwickshire Shotokan Karate during the year. There were no amounts outstanding at 31 August 2023. The letting was completed at the market rent in line with the lettings policy agreed by the governors and the related party was treated the same as any other customer.

32. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023 the academy trust received £33k (2022 - £29k) and disbursed £32k (2022 - £33k) from the fund. An amount of £9k (2022 - £8k) is included in other creditors relating to undistributed funds that is repayable to ESFA.