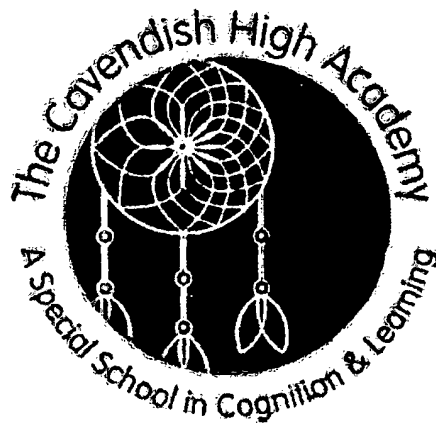


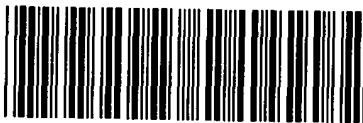
Company Registration No. 08789220 (England and Wales)

THE CAVENDISH HIGH ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021



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THE CAVENDISH HIGH ACADEMY

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THE CAVENDISH HIGH ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Members

C A Howard
D Jameson
H Kershaw Jones

Trustees

C A Howard (Chair of Trustees)
L McMillan (Vice Chair)
E Haver (Principal ex-officio)
G Price
J Richmond (Retired 8 March 2021)
T Doyle (Retired 8 January 2021)
E Newton
M Histon
T McNeill (Deceased 4 December 2020)

Senior management team

- Principal	E Haver
- Acting Deputy Head	J Munro
- Acting Assistant Head	C Ball
- Acting Assistant Head	P Burke
- SBM	S Rogers
- Chief Finance Officer	D Griffiths
- ASBM	D Miller

Company registration number

08789220 (England and Wales)

Independent auditor

WR Partners
Drake House
Gadbrook Park
Northwich
Cheshire
CW9 7RA

Bankers

Lloyds Bank plc
Horsemarket Street
Warrington
WA1 1TP

Royal Bank of Scotland plc
Horsemarket Street
Warrington
WA1 1XN

THE CAVENDISH HIGH ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Hill Dickinson LLP
No 1 St Paul's Street
Liverpool
L3 9SJ

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates a special school academy for pupils aged 11 to 19 primarily serving the borough of Halton, Cheshire, though surrounding local authorities do commission individual pupil placements at the school. It has a pupil capacity of 92 and had a roll of 94 in 2020-2021.

Structure, governance and management

Constitution

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

The charitable company operates as The Cavendish High Academy.

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.

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 member.

Trustees' indemnities

Qualifying third party indemnity provision has been obtained by the academy for the benefit of the governors.

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Method of recruitment and appointment or election of Trustees

Should there be a resignation; The Governing Body Standing Orders will be used to recruit new trustees.

The structure of the Governing Body for 2020-2021 is:

- Principal Head Teacher (accounting officer)
- 1 x Staff representative member
- 7x Community/business members

All future Governors shall be appointed or elected, as the case may be, under the Articles of Association and Funding Agreement. Internal recruitment for any staff and parent appointment will be undertaken using democratic voting procedures and election overseen by Clerk to the Governing Body.

Community governors will be sought via registration of interest through collaborative partners, local charitable organisations (in particular Special Needs) and governor support agencies.

Governors terms of office shall be 4 years. This time limit does not apply to the Principal Head Teacher who is ex-officio. Subject to remaining eligible any governor may be re-appointed or re-elected.

In general, the Academy Trust will have the following Governors:

- Not less than three governors (not subject to a maximum)
- The members* may appoint up to 7 governors, subject to Article 50
- Staff governors must not exceed more than 1/3rd of the total number of governors
- A staff Governor will only hold office for so long as they continue to be employed at the Academy

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Governors will depend upon their existing experience and consequently induction tends to be tailored specifically to the individual. In non-pandemic times it would always include a physical tour of the Academy, and a chance to meet staff and students. During pandemic times a virtual alternative will be offered. As per legislation that came into force 18th March 2016 all Governors are subject to a mandatory Enhanced DBS check. All Governors are provided with online access to documents and information that they will need to undertake their role as a Governor. There is also a package of local training and support available for governors from Edsential and the Local Authority (Halton). Further information, advice and general support is provided by the Academy through membership of the highly valued 'Key for School Governors' and the NGA.

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure

Subject to the mandates imposed by the Companies Act 2006, the articles of Association ensure that the activities of the Academy Trust are managed by the Governors who exercise all the powers of the Academy trust with very few exceptions reserved to the Members.

The Full Governing Body meets once per term. The Business Continuity & Premises and Teaching & Learning Sub-committee meetings also take place once per term. The Curriculum Review committee meets annually.

The following decisions are reserved to the Full Governing Body meetings: considerations of proposals for changes in states to the academy and its committee structure; to appoint/remove the Chair/Vice Chair; to appoint the Principal Head Teacher; to review the SEF, to approve the annual School Improvement Plan and to approve the budget.

Trustees make joint decisions with the SLT on appointment of teachers and the senior leadership team. The SLT may appoint teaching assistants and support staff.

The Governors devolve responsibility for the day to day operational control and management of the Academy to the Principal Head Teacher and Senior Leadership Team including the Deputy/Assistant Head Teachers and SBM/Chief Finance Officer and ASBM. The SLT also makes recommendations to the Governing body regarding the strategic direction of the school. The principal is the accounting officer.

Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of the academy key management personnel is agreed by the Board following referral to: The Academy Pay & Appraisal Policy, feedback from the Principal Head Teacher regarding performance management reviews for SLT and other senior teaching staff which in turn refer to the Teachers Standards and for the Finance Officer with referral to the non-statutory NASBM professional standards framework for school business managers.

Pay & remuneration of the Principal Head Teacher is considered & agreed by a minimum of 2 trustees (including the chair and/or vice chair) following performance management review by the external School Improvement Partner and referring to the Pay & Appraisal Policy: Leadership Group calculations, as well as the national standards of excellence for head teachers. Benchmarking of salaries through local consortia and regional job advertisements.

The Academy's financial control group comprises the Principal Head Teacher, Chief Finance Officer and the Chair of Governors who collectively assess the school's financial position and formulate the recommendations to the governors on Staffing, Finance, Health and Safety and premises Committees as part of the budget setting, monitoring and planning process.

Accounting Officer
Chief Finance Officer

Mrs E Haver Principal Head Teacher
Ms S Rogers / Mrs D Griffiths

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Governors Responsibilities 2020-2021

Name	Position	Category	Responsibilities
Carole Howard	Member Chair Trustee / Director	Community Co-opted	Safeguarding Safer Recruitment Key Skills (Literacy & Numeracy) COVID Committee
Lisa McMillan	Member Vice Chair Trustee / Director	Community Co-opted	Children in Care Special Educational Needs Safeguarding
Tom Doyle	Trustee / Director	Community Co-opted	Responsible Officer
Janet Richmond	Trustee / Director	Community Co-opted	ICT
Gill Price	Trustee / Director	Community Co-opted	Educational Visits & Learning Outside the Classroom. SMSC.
Elisha Newton	Trustee / Director	Parent Community Co-opted	Business & Continuity Sub Committee Chair
Marie Histon	Trustee / Director	Staff	Health & Safety inc COVID Committee
Tom McNeill	Trustee / Director	Community Co-opted	Website. Curriculum. COVID Committee
Elaine Haver	Trustee / Director	Ex officio Principal	Accounting Officer
John Munro		Officer Assistant Head	Reporting on Progress Data – Achievement & Accreditation. DSL – Reporting on Safeguarding & Children in Care COVID Committee

Related parties and other connected charities and organisations

The Friends of Cavendish (Charitable Number: 510906) - This is a charity set up to advance the education of the pupils of the school by providing and assisting in the provision of facilities and equipment for education and enrichment at the school (not formally provided by the Local Education Authority).

The Academy is an outward facing school as is reflected in its membership of, and contributions to, a range of networks, consortia and alliances both locally and regionally including; Merseyside SLD Schools (MSLD), Cheshire Special Schools Consortium (CSSC) Halton Secondary Heads (HASH), Halton Special Schools, Merseyside Special Teaching School Alliance (MSTSA) Palmerston Teaching School Alliance, Confederation of Schools Trusts (CST). We have played a key role in the development and delivery of ITT & NQT training through our Merseyside connections. We also work with a range of external organisations to help train and develop educators of the future, including Chester, Liverpool Hope, Bangor & Manchester Metropolitan universities, to support ITT students on PGCE, BED & BA with QTS courses.

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

Objects and aims

The Trust operates as The Cavendish High Academy: a special school academy, for pupils aged 11 to 19 years. Cavendish High chose to become an Academy in February 2014. The majority of our students have severe learning difficulties and secondary SEND including Autism, SLCN, SEMH, HI, PD, VI, MLD, PMLD and other including ADHD, FAS, PDA. 106 students on roll September 2021. 100% of students have EHCP. In March 2017 Ofsted noted "Parents clamour to secure places at The Cavendish High Academy for their children". This remained the case in September 2020 with a rising number of requests from mainstream primary schools for places for their pupils for year 7 in September 2021 and a rising roll predicted over the next 6 years. Over number places to a total of 106 in September 2021 and still growing demand with 50 enquiries for 10 available places for September 2022.

The Cavendish High Academy is a converter special school academy providing specialist education for students aged 11-19 years. It is a well-established inclusive and supportive learning community where pupils learn together in a safe and caring environment, where their very differing educational needs are met. The curricula are flexible and responsive; our teaching community is committed to revising and reinventing them to ensure they can effectively meet the increasingly complex and diverse needs of our pupils. Creativity is core to outstanding teaching and learning and we strive to break down the barriers between subjects to ensure deep and meaningful learning can take place for our students.

Objectives, strategies and activities

A consequence of the pandemic has been staffing capacity and consequently a number of items from the school development plan either being significantly delayed or unable to be completed within the academic year. There was a national lockdown January 2021 to March 2021 and this impacted significantly on the capacity of staff and operations of the academy as we needed to utilise all available space and prioritise staff capacity for the classrooms to ensure we could remain open and support our students and their families. The SLT work was focused on significant risk assessment, planning and health and safety control measures including regular twice weekly testing of staff.

We are an outward facing school and work collaboratively with a wide range of agencies for the benefit of our students and their families and also our staff. Again this has been impacted by the pandemic as many agencies have not engaged in visits to school site. Face to face multi-agency work has been non-existent for the vast majority of the 2020-2021 academic year.

The trust's overarching objective is to provide our students with an exceptional education through a range of curricula that are differentiated to meet their very specific educational needs. We can only do this by continuing to be a school that engages in collaboration & research with a range of other schools and various agencies with the aim of being at the leading edge of best practice.

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Public benefit

The objectives of the Academy promote the public benefit by increasing the opportunities and outlook for our pupils. We strive to improve the educational, physical and emotional wellbeing of all our pupils, to enhance quality of life through high quality teaching and learning, enabling pupils to fully participate as active citizens and be involved in community life.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

Ensure leadership and management remains outstanding

- In order to ensure strategic and operational capacity in the long term we reviewed the staffing structure with a particular focus on support staff.
- We have a planned increase in the number of teaching assistants across the school to keep pace with rising numbers of students.
- Planned and budgeted for 3 new HLTA roles which are having an instant impact across the school both in student and staff well-being amongst other things.
- Recruited a new school business manager and also a part-time assistant school business manager to give us capacity and scope to look at future growth of a MAT.
- The new acting assistant head teachers have risen to the challenge of their roles and there is a wider sharing and devolving of responsibilities both within and outside of the SLT which is providing opportunities for development for a range of staff.

Ensure we can meet the needs of the young people of Halton who need our specialist provision & Future provision.

The school continues working to strategically manage and plan for the increased demand for places for students. We are still working in collaboration with the local authority to identify sites for satellite provision so we can support the increasing demand for high needs places over the next 5-7 years. The LA is also looking to invest in the school by building additional class space if at all possible. A range of surveys are currently ongoing to establish if this is likely to be possible on the current school site.

We have rewritten our curriculum over the past 12 months to ensure that the curriculum remains innovative and relevant in order to meet the very individual needs of all pupils particularly given the changing cohort in years 7 & 8 where we are now 50% over our usual intake numbers. Our innovation in work on gender inequality has been recognised internationally throughout Europe as part of the AGES project. Two teachers were due to present their work in Italy in January 2021 but this had to be amended to an online/digital conference presentation due to the pandemic. It is hoped they will now be able to attend a conference in Budapest in January 2022 for the next stage of the project. The careers provision is being further developed by the Careers Strategic lead for the school and the careers co-ordinator.

Our school leavers of summer 2021 have all successfully moved onto their planned college or social care provision.

Placement requests - rising numbers

Academy place funded by the ESFA for 92 students and had 94 on roll for 2020-2021 academic year. September 2021 this had increased to 106 on roll. Numbers are projected to continue rising with a worrying trend in in-year requests for places following unsuccessful placements in mainstream secondary provision in year 7 and or 8. This is not sustainable within the current local special school provision.

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Attendance

Attendance data has obviously been negatively impacted by the pandemic, national lockdowns and periods of self-isolation for students and staff. Whilst attendance from Sept 2020 to Jan 4th 2021 was 90.3% the national lockdown and case rates of up to 1500/100,000 in the local area saw attendance rates drop significantly between Jan 21 and March 21. Overall annual attendance from September 2020 to 17th July 2021 was 80.5% with 17.5% authorized absences. Year on year we did see a reduction in un-authorised absence from 2.8% in 2019-2020 to 1.9% in 2020-2021.

For the foreseeable future the Academy will be oversubscribed so we are likely to need to apply to the ESFA to increase planned place numbers but this is only if we can identify a suitable site/premises for the satellite provision. If this cannot be located, then there is very limited expansion potential/opportunity on the current landlocked site.

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.

Please see the notes below in Financial Review section for the basis on which the going concern has been made.

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

Despite a projected in year deficit in 2020-2021, due to prudent budget & staffing management and effective negotiations with the local authority regarding student top up funding, the Academy ended the year with a small carry forward to add to the reserves.

Revenue reserves are over 4% and therefore the academy was not eligible for additional COVID funding. The Academy reserves were also above the level of reserves of the majority of maintained schools in the local area (reference to the school's forum papers of the autumn term 2021).

Future projections are more positive largely down to a restructuring of staff; including a reduction in SLT costs through not replacing the deputy heads who retired over the previous two academic years and no longer employing our own speech and language therapist or counsellors.

Demand for places at the school far exceeds the physical capacity of the site. We are secure in terms of pupil numbers going forwards for the foreseeable future (at least 6 years).

The local authority has assured the Principal they are committed to supporting Cavendish and have guaranteed to pay placement costs for those students over and above place numbers for which we are not already funded by the ESFA and will support school if we approach the ESFA to increase the number of places.

The Academy receives funding from two principal sources: The Education Funding Agency and Halton Local Authority. There are smaller incomes from other local authorities who request places for students at the Academy.

The General Annual Grant (GAG) received from the Education Funding Agency is place funding and is paid on a monthly basis - this amount has not changed for over 6 years now. It is paid in regular monthly instalments direct from the ESFA and a payment schedule is provided along with a financial letter advising of the income to be paid.

Top up funding is received from Local Authority's High Needs Funding Block and was historically paid, very belatedly in Halton Local Authority's case, on a termly basis. Halton local authority were working with us to provide documentation to review and support their per head payments earlier in the school term (though this has been significantly impacted by their staff capacity to do so. The Academy still cannot begin to reconcile the payment made with expected/projected income in a much more timely manner as was hoped last year. Other local authorities pay in a timely manner when invoiced.

The Covid-19 pandemic has had an unavoidable impact on the business of the academy. Staffing projection costs have been impacted negatively by staff who are unable to work for a range of COVID-19 related reasons and for whom cover is required to maintain the business of the academy. However, we also chose not to appoint to the vacant deputy head position or to cover other non-class based positions/ hours in the short term to keep overall staffing costs as low as possible.

Fundraising has been impacted significantly by COVID-19 as we have not held any school fundraising events in 2020-2021 due to social distancing regulations. Staff capacity for grants and bids fundraising has also been impacted.

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

During the year ended 31st August 2021, total expenditure of £1,970,804 (2020: £1,955,096) was covered by grant funding from the DfE combined with top up funding from local authorities and other incoming resources such as Pupil Premium & Covid Catch Up funding. The excess of income over expenditure for the period (excluding fixed asset funds and pension reserve) and including carry forward from previous years was £469,964.

Through detailed provision mapping along with analysis of behaviour that challenges, support requirements and assessment and attainment data we continually review class cohorts and staffing structures to maximise value for money from staff and minimise overall costs. Our greatest asset and most significant cost is our staff. Staff costs, excluding FRS102 notional actuarial LGPS charges, account for approximately 87% (2020: 91%) of our annual income. Staffing is regularly reviewed across the whole Academy, both class based and non-class based. For health and safety reasons we need to maintain staffing levels in classrooms.

We continue to be very prudent and to mitigate risk we regularly work on scenario planning. We worked with an ESFA SRMA summer 2019 and their report did not identify any significant opportunity for cutting costs that we had not already considered. The Principal attended NAHT course: Securing long-term financial viability for your school. The Principal, School Business Manager and Assistant School Business Manager also attended DfE online training on finance. This again supported all of the work we have already done. All new class-based support staff appointments are on a term time only basis.

At August 31st 2021 the net book value of fixed assets are shown in note 11 to the financial statements. Assets were used exclusively for providing education and associated support services to the pupils of the academy

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Reserves policy

A key objective of the Academy is to maintain a structure of prudent financial management.

The aims of the Academy's reserves policy are that the level of reserves should:

- Mitigate termly cash-flow issues "troughs" associated with historically lagged local authority top up funding. This did not improve for 2020-2021 even though the LA had agreed a new, more timely, schedule with us.
- Ensure fluctuations in income e.g. top up funding leaves with students or reduced student numbers) or unexpected expenditure (e.g. urgent maintenance work, significant supply costs due to staff illness that is not covered by insurance) are managed effectively
- Enable a robust programme for the renewal and replacement of school assets to be developed and maintained (e.g. school minibus or ICT equipment)
- To provide for unexpected emergencies

Ideally the academy needs to maintain reserves of £420,000 (to ensure we have three months' worth of salaries as the LA has paid the top up funding due up to three months late which has a significant impact on our cash flow and capacity to pay all of our regular salaries & bills) but this is unlikely to be possible going forwards. The governing board have, therefore, asked for the Local Authority to provide their assurance that they will underwrite any potential debt incurred from lack of timely top up funding payment.

The Governors will be mindful that existing students are not disadvantaged through the retention of excessive reserves. To this end the Governors review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Governors will keep the level of reserves under review. A Reserves policy is in place. At 31st August 2021 the balance of the Academy's Unrestricted Funds was - £390,172 and the balance of its restricted General Funds was £303,089.

Investment policy

In the current financial climate of ongoing uncertainty and continued low interest rates, the Academy's policy continues to be to maximise liquidity and minimise risk. This is kept under regular review.

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

The Academy has undertaken work during the period to establish the system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation. The most significant risks are external factors that have and are still being influenced by politics such as those identified below:

Energy cost increases

previously frozen public sector pay being unfrozen for 2022

employer's national insurance contributions rise

Unison pay demands for support staff that may impact mid-year (April 2022)

All of these things could not have been foreseen when we were setting the budget in June 2021.

Underlying rate of inflation and staffing costs:

The Academy is mindful of inflation. We project our 5 year budgets mindful of the national picture: teaching staff pay rates and pension contributions as per national agreements and support staff pay rate increases in-line with government policy on public sector pay. The Academy is mindful of progression within salary grades due to successful appraisal increases costs. Recruitment and retention of skilled SEN staff also increases costs. It is becoming increasingly common for SLTs to decrease in size and for schools to restructure without deputy heads and the like but we must also remain mindful of workforce well-being, work-life balance and quality of provision when considering such options for cutting budget costs.

We are very prudent and are mindful of the need to continue being as efficient as we possibly can be. We carefully monitor our finances, ensure appropriate procurement processes are in place and benchmark regularly as we need to ensure we have reserves to maintain staffing in the classrooms to support the pupils in future years and ensure the budget does not go into overall deficit.

New SBM appointed with significant accounting and audit experience as well as successful experience of gaining bids and grants. The Principal, SBM and Assistant SBM attended the virtual ESFA Finance Directors (FD) Forum training on 21st Jan 2021. The ASBM is currently undertaking a CIPFA for Academies course.

Fundraising

Governors recognize they must act in the charity's best interest, manage the charity's resources responsibly and act with reasonable skill and care.

The Academy trust has not used any external fundraisers for 2020-2021.

THE CAVENDISH HIGH ACADEMY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

National & Local authority SEND review delayed during pandemic. Within the local area context:

Look to ensure we can provide best provision possible for cohort of students on site at Cavendish – establish maximum site capacity and agree with LA – provisional number agreed 110 if LA building expansion works take place in Summer 2022.

Ensure capacity of staffing and sustain outstanding level of provision on both home site and any satellite sites we may be operating on.

Consider opportunities for the Academy regarding own Trust growth and also scope out all options in terms of possibility of joining an established MAT.

Continue to use all of the tools at our disposal from ESFA/DfE to ensure we drive down costs wherever possible.

Strive to deliver a balanced budget for future years (supported by appropriate financial provision from the LA).


Auditor

In so far as the Trustees are aware:


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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 16 December 2021 and signed on its behalf by:

C A Howard
Chair of Trustees


16/12/2021

E Newton
Trustee


16/12/2021

THE CAVENDISH HIGH ACADEMY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Cavendish High Academy 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 Principal Head Teacher, 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 The Cavendish High Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of trustees has formally virtually met 5 times during the year, with effective oversight of funds being ensured by additional meetings of the Finance Committee which met regularly throughout the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
C A Howard (Chair of Trustees)	5	5
L McMillan (Vice Chair)	5	5
E Haver (Principal ex-officio)	5	5
G Price	3	5
J Richmond (Retired 8 March 2021)	0	2
T Doyle (Retired 8 January 2021)	0	3
E Newton	5	5
M Histon	2	5
T McNeill (Deceased 4 December 2020)	0	0

Although we successfully recruited 2 new governors to the board in 2019 and both brought additional finance and business skill set to the governors sadly one of our governors resigned due to ill health, another resigned during the pandemic due to other commitments and one of our governors sadly passed away in December 2020. We continue to actively recruit governors using websites such as governorsforschools.org.uk

Terms of reference for each of the committees are reviewed annually.

THE CAVENDISH HIGH ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Business & Continuity committee is a sub-committee of the main board of trustees. Its purpose is to manage & monitor the academy finances: Providing financial oversight, scrutinizing the budget, to ensure value for money, providing an opportunity for detailed discussion and consideration of financial matters, with regular reporting to the full management committee. It may be given delegated authority for some financial decision-making, but the Full Governing Body as a whole remains accountable and must still remain actively engaged in financial matters.

Elisha Newton has taken up position of chair of the business & finance committee as she has extensive experience of financial planning and management as part of her job as a finance director as well as experience of procurement/purchasing and premises/facilities management. Her industry experience has been invaluable, especially throughout the recruitment process for the new SBM.

THE CAVENDISH HIGH ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Review of value for money

As accounting officer the Principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The accounting officer has attended NAHT training course Securing long-term viability for your school and used this course to review and discuss current situation with another external professional with extensive experience and to seek potential alternative income generation opportunities. The outcome was we have already utilized the vast majority of tools at our disposal to support our benchmarking and had already undertaken a range of exercises as presented at the course.

Coronavirus has been very expensive for the academy in terms of staffing cover costs. 2020-2021 there is more provision in the budget than 2019-2021 as we were then aware of coronavirus. We've been unable to claim back any of the costs we've incurred as we have more than 4% reserves so are ineligible to claim despite us meeting the 10% staff absence threshold for a majority of the time throughout the pandemic. .

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

Reduction in energy/water costs through closure of hydro-pool

Reduction in transport costs through SORN minibuses during pandemic

Reduction in in class costs through introduction of TTO contracts for incoming support staff

Not replacing DHT who retired in 31st August 2019 to reduce overall staffing costs

Financial benchmarking against similar schools

Utilising relevant DfE approved frameworks and tools provided by the ESFA to support excellent school resource management including: Crown Commercial Services, RPA, Teaching Vacancies, Agency Supply Framework

Requesting more appropriate top up funding for specific students

Gaining guarantee for over-number placement numbers from Local Authority.

THE CAVENDISH HIGH ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 The Cavendish High Academy Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

THE CAVENDISH HIGH ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Board of Trustees has decided:

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

- testing of expenditure systems and controls
- testing of purchasing controls
- testing of bank systems and controls
- testing of payroll systems and controls
- testing of income systems and controls
- testing of fixed assets systems and controls
- testing of governance and compliance
- Testing of website compliance
- Testing of risk management

The initial internal scrutiny has taken place as an annual review due to COVID-19 and restrictions to access on site throughout 2020-21 due to lockdowns etc.

Going forwards the internal scrutiny will take place on a termly basis. The auditor will report termly to the board of trustees, through the business continuity audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned and raised the following recommendations:

- There should be an annual review of the board of trustees
- The annual accounts should be uploaded to the trusts website by 31st January
- Review the website to ensure all areas are in line with requirements

The Business Continuity Committee role includes giving advice on financial matters and performs a range of internal checks on the academy trust's financial systems. The Principal Head Teacher, Chair of Governors, and from December 2021 the Chair of the Business Continuity Committee, receive monthly cash flow statements from the Academy's Finance Officer. A budget report is provided on a termly basis (3 x annually) to the board of trustees, through the Business & Continuity Committee as well as reports on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

THE CAVENDISH HIGH ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Review of effectiveness

As accounting officer the Principal Head Teacher (Elaine Haver) had responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:


- the work of the Business Continuity committee members
- the work of the ESFA SRMA from summer 2019
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- external online financial training
- the work of the internal scrutiny auditor
- the work of the external accountant
- the work of the external auditor


The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Business Continuity Committee and also following discussions with the internal auditors and an action plan to ensure continuous improvement of the system will be in place for the end of the autumn term 2021.

Approved by order of the Board of Trustees on 16 December 2021 and signed on its behalf by:

C A Howard
Chair of Trustees

E Haver
Accounting Officer


16/12/2021


16/12/2021

THE CAVENDISH HIGH ACADEMY

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of The Cavendish High Academy, 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 received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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.



E Haver
Accounting Officer

16 December 2021

THE CAVENDISH HIGH ACADEMY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of The Cavendish High Academy for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 accounts for each financial year. Under company law, the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make 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 accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 16 December 2021 and signed on its behalf by:

C A Howard
Chair of Trustees


16/12/2021

E Newton
Trustee


16/12/2021

THE CAVENDISH HIGH ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CAVENDISH HIGH ACADEMY

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of The Cavendish High Academy for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

THE CAVENDISH HIGH ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CAVENDISH HIGH ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Other information

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

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 accounts are prepared is consistent with the accounts; 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 the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, 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 accounts 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.

THE CAVENDISH HIGH ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CAVENDISH HIGH ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. We also reviewed board minutes to identify any recorded instances of irregularity or non compliance that might have a material impact on the financial statements.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was susceptibility to fraud. Based on our understanding our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

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

THE CAVENDISH HIGH ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CAVENDISH HIGH ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Fran Johnson BSc BFP FCA (Senior Statutory Auditor)

for and on behalf of WR Partners

Chartered Accountants

Drake House
Gadbrook Park
Northwich
Cheshire
CW9 7RA

20.12.21

THE CAVENDISH HIGH ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE CAVENDISH HIGH ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 12 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Cavendish High Academy during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Cavendish High Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Cavendish High Academy's funding agreement with the Secretary of State for Education dated [ENTER IN STATUTORY DATABASE] and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

THE CAVENDISH HIGH ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE CAVENDISH HIGH ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Conclusion

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



Reporting Accountant

WR Partners

Dated: 20.12.21

THE CAVENDISH HIGH ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds: General Fixed asset £	£	Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and capital grants	3	-	-	22,330	22,330	7,105
Charitable activities:						
- Funding for educational operations	4	12,551	1,997,714	-	2,010,265	1,913,474
Investments	5	48	-	-	48	-
Total		<u>12,599</u>	<u>1,997,714</u>	<u>22,330</u>	<u>2,032,643</u>	<u>1,920,579</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	196	2,163,444	76,979	2,240,619	2,249,747
Total	6	<u>196</u>	<u>2,163,444</u>	<u>76,979</u>	<u>2,240,619</u>	<u>2,249,747</u>
Net income/(expenditure)		12,403	(165,730)	(54,649)	(207,976)	(329,168)
Transfers between funds	15	-	(13,125)	13,125	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	17	-	(570,000)	-	(570,000)	(58,000)
Revaluation of fixed assets	11	-	-	4,379	4,379	-
Net movement in funds		<u>12,403</u>	<u>(748,855)</u>	<u>(37,145)</u>	<u>(773,597)</u>	<u>(387,168)</u>
Reconciliation of funds						
Total funds brought forward		<u>391,172</u>	<u>(1,229,756)</u>	<u>2,275,892</u>	<u>1,437,308</u>	<u>1,824,476</u>
Total funds carried forward		<u>403,575</u>	<u>(1,978,611)</u>	<u>2,238,747</u>	<u>663,711</u>	<u>1,437,308</u>

THE CAVENDISH HIGH ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted funds £	Restricted funds: General Fixed asset £	£	Total 2020 £
Income and endowments from:					
Donations and capital grants	3	-	-	7,105	7,105
Charitable activities:					
- Funding for educational operations	4	-	1,913,474	-	1,913,474
Total		-	1,913,474	7,105	1,920,579
Expenditure on:					
Charitable activities:					
- Educational operations	7	-	2,148,096	101,651	2,249,747
Total	6	-	2,148,096	101,651	2,249,747
Net expenditure		-	(234,622)	(94,546)	(329,168)
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	17	-	(58,000)	-	(58,000)
Net movement in funds		-	(292,622)	(94,546)	(387,168)
Reconciliation of funds					
Total funds brought forward		390,172	(936,134)	2,370,438	1,824,476
Total funds carried forward		390,172	(1,228,756)	2,275,892	1,437,308

THE CAVENDISH HIGH ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	11	2,243,064	2,288,877
Current assets			
Debtors	12	34,578	51,672
Cash at bank and in hand		507,554	434,346
		542,132	486,018
Current liabilities			
Creditors: amounts falling due within one year	13	(76,485)	(60,587)
Net current assets		465,647	425,431
Net assets excluding pension liability		2,708,711	2,714,308
Defined benefit pension scheme liability	17	(2,045,000)	(1,277,000)
Total net assets		663,711	1,437,308
Funds of the Academy Trust:			
Restricted funds	15		
- Fixed asset funds		2,238,747	2,275,892
- Restricted income funds		66,389	48,244
- Pension reserve		(2,045,000)	(1,277,000)
Total restricted funds		260,136	1,047,136
Unrestricted income funds	15	403,575	390,172
Total funds		663,711	1,437,308

The accounts on pages 30 to 54 were approved by the Trustees and authorised for issue on 16 December 2021 and are signed on their behalf by:

C A Howard
Chair of Trustees

E Newton
Trustee

E Newton
16/12/2021

Company Number 08789220

CA Howard
16/12/2021

THE CAVENDISH HIGH ACADEMY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	18		77,617		(68,254)
Cash flows from investing activities					
Dividends, interest and rents from investments		48		-	
Capital grants from DfE Group		8,480		7,105	
Capital funding received from sponsors and others		13,850		-	
Purchase of tangible fixed assets		(26,787)		(20,505)	
Net cash used in investing activities			(4,409)		(13,400)
Net increase/(decrease) in cash and cash equivalents in the reporting period			73,208		(81,654)
Cash and cash equivalents at beginning of the year			434,346		516,000
Cash and cash equivalents at end of the year			507,554		434,346

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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.

1.5 Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

The Trust separately identifies the major components of its schools buildings and charges depreciation so as to write-down the cost of each component to its estimated residual value, over its expected useful life:

Land & Buildings	over 50 years
Computer equipment	33% straight line
Fixtures, fittings & equipment	10% straight line

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.

1.6 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.

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Pensions benefits

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

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. The 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 are recognised in the period to which they relate.

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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

1.11 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the [Department for Education Group].

2 Critical accounting estimates and areas of judgement

Accounting 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 CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement

(Continued)

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 17, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.]

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Capital grants	-	22,330	22,330	7,105

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	923,755	923,755	923,868
Other DfE / ESFA grants:				
Pupil premium	-	48,926	48,926	34,255
Others	-	60,088	60,088	40,821
	-	1,032,769	1,032,769	998,944
Other government grants				
Local authority grants	-	919,082	919,082	913,205
COVID-19 additional funding				
ESFA Catch-up premium	-	22,800	22,800	-
Other ESFA COVID-19 funding	-	19,590	19,590	-
Other incoming resources	12,551	3,473	16,024	1,325
Total funding	12,551	1,997,714	2,010,265	1,913,474

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Short term deposits	48	-	48	-

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Expenditure

	Staff costs	Non-pay expenditure Premises	Other	Total 2021	Total 2020
	£	£	£	£	£
Academy's educational operations					
- Direct costs	1,343,959	40,432	5,199	1,389,590	1,237,931
- Allocated support costs	575,841	132,347	142,841	851,029	1,011,816
	<u>1,919,800</u>	<u>172,779</u>	<u>148,040</u>	<u>2,240,619</u>	<u>2,249,747</u>

Net income/(expenditure) for the year includes:

	2021	2020
	£	£
Fees payable to auditor for:		
- Audit	9,000	10,000
- Other services	3,500	7,700
Operating lease rentals	4,152	5,131
Depreciation of tangible fixed assets	76,979	101,651
Net interest on defined benefit pension liability	24,000	20,000
	<u>2021</u>	<u>2020</u>

7 Charitable activities

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Direct costs				
Educational operations	-	1,389,590	1,389,590	1,237,931
Support costs				
Educational operations	196	850,833	851,029	1,011,816
	<u>196</u>	<u>2,240,423</u>	<u>2,240,619</u>	<u>2,249,747</u>

	2021	2020
	£	£
Analysis of support costs		
Support staff costs	580,296	691,213
Depreciation	36,547	101,651
Technology costs	36,670	33,919
Premises costs	95,800	86,366
Legal costs	1,788	495

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Charitable activities (Continued)

Other support costs	86,902	81,713
Governance costs	13,026	16,459
	<u>851,029</u>	<u>1,011,816</u>

8 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	1,404,716	1,336,317
Pension costs	445,409	441,880
Staff costs - employees	<u>1,850,125</u>	<u>1,778,197</u>
Agency staff costs	69,675	131,202
	<u>1,919,800</u>	<u>1,909,399</u>
Staff development and other staff costs	4,455	9,643
Total staff expenditure	<u>1,924,255</u>	<u>1,919,042</u>

Staff numbers

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

	2021 Number	2020 Number
Teachers	13	11
Administration and support	32	33
Management	3	3
	<u>48</u>	<u>47</u>

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Staff

(Continued)

Higher paid staff

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

	2021 Number	2020 Number
(£60,000-£70,000)	-	1
(£80,000-£90,000)	1	1
	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £223,330 (2020: £264,092).

9 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as Trustees.

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

E Haver Principal:

- Remuneration £80,000 - £90,000 (2020: £80,000-£90,000)
- Employer's pension contributions £15,000 - £20,000 (2020: £15,000-£20,000)

G Price :

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

M Histon:

- Remuneration £20,000 - £25,000 (2020: £15,000 - £20,000)
- Employer's pension contributions £0,000 - £5,000 (2020: £0,000 - £5,000)

During the year, no Trustee expenses have been incurred (2020: nil).

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Trustees' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £1,656 (2020: £ 1,656). The cost of this insurance is included in the total insurance cost.

11 Tangible fixed assets

	Land & Buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2020	2,678,000	82,687	202,146	2,962,833
Additions	4,317	20,317	2,153	26,787
Disposals	-	(12,100)	-	(12,100)
At 31 August 2021	2,682,317	90,904	204,299	2,977,520
Depreciation				
At 1 September 2020	508,524	81,993	83,439	673,956
Revaluation	-	(4,379)	-	(4,379)
On disposals	-	(12,100)	-	(12,100)
Charge for the year	50,540	6,117	20,322	76,979
At 31 August 2021	559,064	71,631	103,761	734,456
Net book value				
At 31 August 2021	2,123,253	19,273	100,538	2,243,064
At 31 August 2020	2,169,476	694	118,707	2,288,877

12 Debtors

	2021	2020
	£	£
Other debtors	12,329	12,394
Prepayments and accrued income	22,249	39,278
	34,578	51,672

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	43,119	-
Other creditors	468	1,788
Accruals and deferred income	32,898	58,799
	<u>76,485</u>	<u>60,587</u>

14 Deferred income

	2021	2020
	£	£
Deferred income is included within:		
Creditors due within one year	-	10,044
	<u>-</u>	<u>10,044</u>
Deferred income at 1 September 2020	10,044	-
Released from previous years	(10,044)	10,044
	<u>-</u>	<u>10,044</u>

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	47,244	923,755	(891,485)	(13,125)	66,389
Pupil premium	-	48,926	(48,926)	-	-
Other DfE / ESFA grants	-	60,088	(60,088)	-	-
Other government grants	-	961,472	(961,472)	-	-
Other restricted funds	-	3,473	(3,473)	-	-
Pension reserve	(1,277,000)	-	(198,000)	(570,000)	(2,045,000)
	<u>(1,229,756)</u>	<u>1,997,714</u>	<u>(2,163,444)</u>	<u>(583,125)</u>	<u>(1,978,611)</u>
Restricted fixed asset funds					
DfE group capital grants	<u>2,275,892</u>	<u>22,330</u>	<u>(76,979)</u>	<u>17,504</u>	<u>2,238,747</u>
Total restricted funds	<u>1,046,136</u>	<u>2,020,044</u>	<u>(2,240,423)</u>	<u>(565,621)</u>	<u>260,136</u>
Unrestricted funds					
General funds	<u>391,172</u>	<u>12,599</u>	<u>(196)</u>	<u>-</u>	<u>403,575</u>
Total funds	<u>1,437,308</u>	<u>2,032,643</u>	<u>(2,240,619)</u>	<u>(565,621)</u>	<u>663,711</u>

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Funds

(Continued)

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

General Annual Grant

This represents the balance remaining from core funding provided by the EFSA for the schools core educational activities.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Other Government Grants

This fund represents the income and expenditure from the local authority SEN top up funding.

Pension Reserve

This is the Local Government Pension Scheme deficit attributable to the school and is derived from the report of the actuary produced as at 31st August 2021.

Fixed Asset Restricted Funds

This represents the value of fixed assets shown on the balance sheet. The assets underlying the fund are the Trust's land and buildings, furniture, fixtures and fittings and computer equipment.

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Funds

(Continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	89,866	923,868	(965,490)	-	48,244
Pupil premium	-	34,255	(34,255)	-	-
Other DfE / ESFA grants	-	40,821	(40,821)	-	-
Other government grants	-	913,205	(913,205)	-	-
Other restricted funds	-	1,325	(1,325)	-	-
Pension reserve	(1,026,000)	-	(193,000)	(58,000)	(1,277,000)
	<u>(936,134)</u>	<u>1,913,474</u>	<u>(2,148,096)</u>	<u>(58,000)</u>	<u>(1,228,756)</u>
Restricted fixed asset funds					
DfE group capital grants	<u>2,370,438</u>	<u>7,105</u>	<u>(101,651)</u>	<u>-</u>	<u>2,275,892</u>
Total restricted funds	<u>1,434,304</u>	<u>1,920,579</u>	<u>(2,249,747)</u>	<u>(58,000)</u>	<u>1,047,136</u>
Unrestricted funds					
General funds	<u>390,172</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>390,172</u>
Total funds	<u>1,824,476</u>	<u>1,920,579</u>	<u>(2,249,747)</u>	<u>(58,000)</u>	<u>1,437,308</u>

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	2,243,064	2,243,064
Current assets	462,618	79,514	-	542,132
Creditors falling due within one year	(59,043)	(13,125)	(4,317)	(76,485)
Defined benefit pension liability	-	(2,045,000)	-	(2,045,000)
Total net assets	403,575	(1,978,611)	2,238,747	663,711

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	2,288,877	2,288,877
Current assets	391,018	95,000	-	486,018
Creditors falling due within one year	(846)	(46,756)	(12,985)	(60,587)
Defined benefit pension liability	-	(1,277,000)	-	(1,277,000)
Total net assets	390,172	(1,228,756)	2,275,892	1,437,308

17 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cheshire Pensions. Both are multi-employer defined benefit schemes.

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

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

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Pension and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to the TPS in the period amounted to £212,103 (2020: £196,688).

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.

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Pension and similar obligations

(Continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are % for employers and % 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.

Total contributions made	2021 £	2020 £
Employer's contributions	134,000	130,000
Employees' contributions	40,000	37,000
Total contributions	174,000	167,000

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.6	2.9
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.9	5.4
Commutation of pensions to lump sums	50.0	50.0

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

	2021 Years	2020 Years
Retiring today		
- Males	21.4	21.2
- Females	24.0	23.6
Retiring in 20 years		
- Males	22.4	21.9
- Females	25.7	25.0

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Pension and similar obligations

(Continued)

Scheme liabilities would have been affected by changes in assumptions as follows:

The Academy Trust's share of the assets in the scheme	2021 Fair value £	2020 Fair value £
Equities	1,307,000	1,057,000
Bonds	1,194,000	939,000
Property	284,000	235,000
Other assets	57,000	117,000
Total market value of assets	<u>2,842,000</u>	<u>2,348,000</u>

The actual return on scheme assets was £320,000 (2020: £58,000).

Amount recognised in the statement of financial activities	2021 £	2020 £
Current service cost	308,000	289,000
Past service cost	-	14,000
Interest income	(41,000)	(40,000)
Interest cost	65,000	60,000
Total operating charge	<u>332,000</u>	<u>323,000</u>

Changes in the present value of defined benefit obligations	2021 £
At 1 September 2020	3,625,000
Current service cost	308,000
Interest cost	65,000
Employee contributions	40,000
Actuarial loss	849,000
At 31 August 2021	<u>4,887,000</u>

THE CAVENDISH HIGH ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Pension and similar obligations

(Continued)

Changes in the fair value of the Academy Trust's share of scheme assets

	2021 £
At 1 September 2020	2,348,000
Interest income	41,000
Actuarial gain	279,000
Employer contributions	134,000
Employee contributions	40,000
At 31 August 2021	2,842,000

18 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the reporting period (as per the statement of financial activities)	(207,976)	(329,168)
Adjusted for:		
Capital grants from DfE and other capital income	(22,330)	(7,105)
Investment income receivable	(48)	-
Defined benefit pension costs less contributions payable	174,000	173,000
Defined benefit pension scheme finance cost	24,000	20,000
Depreciation of tangible fixed assets	76,979	101,651
Decrease/(increase) in debtors	17,094	(5,219)
Increase/(decrease) in creditors	15,898	(21,413)
Net cash provided by/(used in) operating activities	77,617	(68,254)

19 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	434,346	73,208	507,554

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Related party transactions

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 8.

21 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.