

**REGISTERED COMPANY NUMBER: 09061804 (England and Wales)**

**Children's Academy Trust Limited  
(A Company Limited by Guarantee)  
Report of the Trustees and  
Financial Statements for the Year Ended 31 August 2020**

**Harris & Co Limited  
Chartered Accountants & Statutory Auditor  
Marland House  
13 Huddersfield Road  
Barnsley  
South Yorkshire  
S70 2LW**



**Children's Academy Trust Limited**

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for the Year Ended 31 August 2020**

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**Children's Academy Trust Limited**

**Reference and Administrative Details  
for the Year Ended 31 August 2020**

<b>MEMBERS</b>	<p>Chairman: Mrs K Bottomley</p> <p>Members: Mr S Faulkner-Duke (from 1 May 2020)</p> <p>Members: Mrs C Morton (to 31 August 2020)</p> <p>Members: Mr S Walker</p>
<b>TRUSTEES</b>	<p>Chairman: Ms J L Armstrong</p> <p>Members: Mr C R Cannings</p> <p>Members: Mr W J Ryan</p> <p>Members: Ms A Sandhal</p> <p>Members: Mr S Walker (Chair)</p> <p>Members: Mrs M Ward</p> <p>Members: Mr A Wirth (Trust Accounting Officer)</p>
<b>SENIOR MANAGEMENT TEAM</b>	<p>Mr A Wirth (Headteacher)</p> <p>Mrs K Roberts (Deputy Headteacher)</p> <p>Mrs J Croot (Nominated Trust Finance Officer)</p>
<b>SIGNIFICANT DEVELOPMENT PARTNERS</b>	<p>Thorpe Hesley Primary School</p> <ul style="list-style-type: none"><li>- Mrs T Toms (Headteacher and MAT CEO-elect)</li></ul> <p>Redscope Primary School</p> <ul style="list-style-type: none"><li>- Mrs A Bradbury (Acting Headteacher)</li></ul>
<b>REGISTERED OFFICE</b>	<p>Anston Greenlands Primary School</p> <p>Edinburgh Drive</p> <p>North Anston</p> <p>Sheffield</p> <p>South Yorkshire</p> <p>S25 4HD</p>
<b>REGISTERED COMPANY NUMBER</b>	<p>09061804 (England and Wales)</p>
<b>INDEPENDENT AUDITORS</b>	<p>Harris &amp; Co Limited</p> <p>Chartered Accountants &amp; Statutory Auditor</p> <p>Marland House</p> <p>13 Huddersfield Road</p> <p>Bamsley</p> <p>South Yorkshire</p> <p>S70 2LW</p>
<b>BANKERS</b>	<p>Lloyds Bank</p> <p>232 Bawtry Road</p> <p>Wickersley</p> <p>Rotherham</p> <p>South Yorkshire</p> <p>S66 1AA</p>

# Children's Academy Trust Limited

## Reference and Administrative Details for the Year Ended 31 August 2020

### SOLICITORS

Taylor Bracewell  
17-23 Thorne Road  
Doncaster  
DN1 2RP  
Tel: 0117 924 2000  
Fax: 0117 924 2001

### MEMBERS

### COMPANY

### SECRETARY/CLERK

Mrs A Humphries  
Mr J L Armstrong  
Mr C R Cannings  
Mr W J Ryan  
Ms A Sandhal  
Mr S Walker (Chair)  
Mrs M Ward  
Mr A With (Trust Accounting Officer)

### TRUSTEES

### SENIOR MANAGEMENT TEAM

Mr A With (Headteacher)  
Mrs K Roberts (Deputy Headteacher)  
Mrs J Croft (Nominated Trust Finance Officer)

### SIGNIFICANT DEVELOPMENT PARTNERS

Mrs A Bradbury (Acting Headteacher)  
Redcliffe Primary School  
Mrs T Toms (Headteacher and MAT CEO)  
Thorpes Hill Primary School

### REGISTERED OFFICE

255-257  
South Yorkshire  
Sheffield  
North Ayrton  
Edinburgh Drive  
Aston Greenlands Primary School

### REGISTERED COMPANY NUMBER

08061804 (England and Wales)

### INDEPENDENT AUDITORS

270-272W  
South Yorkshire  
Barnsley  
13 Huddersfield Road  
Fishend House  
Chartered Accountants & Statutory Auditors  
Harris & Co Limited

### BANKERS

263 1AA  
South Yorkshire  
Rotherham  
Wickesley  
335 Darnley Road  
Lloyds Bank

## **Children's Academy Trust Limited**

### **Report of the Trustees for the Year Ended 31 August 2020**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

For the entirety of the reporting period, the Trust's status was that of a single school multi academy trust (MAT) comprising Anston Greenlands school only. Anston Greenlands is a Primary school for pupils aged 4 to 11 serving a catchment area in North Anston, in the Rotherham Local Authority. It has a pupil capacity of 212 (taken from Census information) and is over-subscribed.

During the reporting year, the Trust has continued its development work with two Rotherham Primary schools, Redscope and Thorpe Hesley, to achieve conversions to academy status and to join them with Anston Greenlands to form a three Primary school multi-academy trust (MAT). This work culminated with the conversions being achieved and the schools becoming academies and joining the Trust on 1st September 2020. The Trust's growth from one to three schools gives a combined pupil number of 1100 fte (full time equivalent).

The Trust is aware of the Charities SORP Committee advice on the financial reporting implications that may arise from the measures being put in place to contain the impact of the COVID-19 virus. The advice, which is advisory in nature and does not amend the SORP, aims to assist the preparers, auditors and examiners of accounts. It is relevant to academy trusts as charitable companies. In line with the advice, this report takes into consideration the impact on the financial statements as a result of the changing activities of the charity itself.

The full financial impact of the Covid 19 virus on the Trust's single school has yet to be fully assessed by tracking through the additional costs that have arisen. Some have been one-off costs, but many are continuing beyond the period of this report and for an indefinite period into the future. As a three-school MAT, the financial burden of our combined Covid efforts across three sites can only increase. The impact on how the school has been organised and managed to continue to provide safe access to education in line with emerging restrictions and de-restrictions has been significant. Throughout the report therefore, Trustees comment on the school's response to the pandemic, how it has continued to pursue its development agenda for the two schools seeking academisation and how the three schools together have played a positive and successful role in supporting the children of Rotherham, their families and community.

## **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 Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as the Children's Academy Trust.

The growth of the Trust to a three-school MAT is a significant development. By the end of the reporting period, the Secretary of State for Education had approved the conversions of Redscope and Thorpe Hesley Primary schools to academy status with an effective date of 1st September 2020. As a reflection of this strategic change and the Trust's work with the incoming schools to consolidate shared values and overall mission, the name of the Trust going forward into the new reporting year 2020-21 will be "The Creative Children's Academy Trust" ("CCAT"). The Company's registration details remain unchanged.

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 a member.

## **Children's Academy Trust Limited**

### **Report of the Trustees for the Year Ended 31 August 2020**

#### **Trustees' indemnities**

The Academy Trust has purchased Trustees'/Governors' and Officers' liability insurance which covers them for any legal action brought against them. The current insurance provides cover up to £10,000,000 on any one claim. Qualifying third party indemnity provisions (as defined by s236 of the Companies Act 2006) were in force during the period and remain in force in relation to certain losses and liabilities which the Trustees/Governors or other officers may incur to third parties in the course of acting as Trustees/Governors or officers of the Academy Trust.

#### **Method of recruitment and appointment or election of new trustees**

The Trust has actively and strategically reviewed its membership and the structure of its Board as part of its expansion plans. This has been necessary to support the evolution of the Trust from single academy status (ie a multi academy trust (MAT) comprising a single school) into a three school MAT. The recruitment and appointment of Trustees and Members has been in line with the Trust's Articles and reflective of the governance guidance issued by the Education and Skills Funding Agency (ESFA). The driving factors have been (a) to increase the independent nature of the Board; (b) to move towards five appointments at Member level; (c) to ensure the required separation between the Trust's governance layers; and (d) skills-specific appointments at all levels. The changed governance structure and proposed appointments were approved by the Regional Schools Commissioner (RSC) as part of the Trust's application to take on two additional schools.

#### **Policies and procedures adopted for the induction and training of trustees**

All Member and Director appointments have been supported with briefing about the Trust, its strategic aims and high level objectives. In particular, proposed new appointees were given the opportunity to attend the Trust's Annual General Meeting to hear at first-hand about its work, finances, overall strategy and development for growth.

Once appointments are approved by Members, individuals are given further verbal briefing tailored to suit the circumstances of the appointment. They are also provided with details of the Trust's statutory Instrument of government - the Articles of Association, plus the ESFA Academies Financial Handbook and Governance Guide and other general information about being a Charity Trustee. Subject-specific training is made available to Trustees through a service-level agreement for governance and school improvement services with Rotherham Local Authority.

#### **Organisational structure**

The Trust has a three-tier structure. During the reporting year, it has operated for the management of its single school, Anston Greenlands, the allocation of responsibilities across the three levels of governance is articulated through the Articles of Association and terms of reference for the Trust and local governing bodies. The levels are these:

- **overall strategic management of the Trust** - Board of Trustees (comprising Trustees, one of whom also serves as a Member and provides the link between the levels, and the CEO-elect);
- **arm's length overview** - the Members, looking to the Trust's adherence to its aims and objects;
- **local application of operational policy and management of Trust policy** - a Local Governing Body operating and reporting against Authorities delegated to it by the Trust.

This structure has remained the same on the Trust's development to a three school MAT. Both schools joining the MAT have a governing body operating locally as described above. The Governing Bodies of the three schools have met for joint events during the development phase.

During the reporting period, the Trust's Accounting Officer for the single school MAT has been the Head Teacher of Anston Greenlands Primary school. He has also served as a Trustee. With the expansion to take on the additional schools, the Trust will formally appoint its first Chief Executive Officer (CEO). The CEO will take over as the Trust's Accounting Officer. The Head Teacher of one of the joining schools (Thorpe Hesley) has worked closely with the Trust during the reporting period as CEO-elect in order to lead the work on school conversions. The acting Head Teacher at Redscope school has also contributed during the reporting period to this work, along with the local governing body at each school.

## **Children's Academy Trust Limited**

### **Report of the Trustees for the Year Ended 31 August 2020**

The Trust would like to record its thanks to the governors of all three local governing bodies for their contribution to the development of CCAT. During the reporting period, the Trust has completed its work with all three schools to completely review its mission and values. This process has resulted in a new Mission statement, specific to the new Creative Children's Academy Trust.

A full description and breakdown of the governance arrangements is included in the Governance Statement section of the report.

#### **Arrangements for setting pay and remuneration for key management personnel**

The Children's Academy Trust has opted to continue to follow nationally agreed recommendations for pay and remuneration for its single school, Anston Greenlands. The pay and remuneration of the Trust's key management personnel therefore reflect the benchmarks, parameters and criteria set at a national level. The adoption of the national agreements was a recommendation of the Local Authority with which the Trust has a Service Level Agreement for Human Resources services, including pay and conditions and payroll. As maintained schools, the two schools joining the Trust are covered by the same national policies.

#### **Trade Union Facility Time**

The Trust has 21.46 full-time equivalent employees and therefore is not within scope of the reporting requirements set under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017.

#### **Related parties and other connected charities and organisations**

The Trust has no related party connections or connections with other charities or organisations.

### **OBJECTIVES AND ACTIVITIES**

#### **Objects and Aims**

The Trust's objects are specified in its Articles of Association:

"To advance for the public benefit.....by establishing.....and developing schools.....to provide full or part time education for children of compulsory school age"

As part of its development work to grow the Trust into a three-school MAT, the Trust has worked with all three schools to review its Aims in the context of its Objects. This has resulted in a new and jointly-agreed Mission and Values statement for CCAT going forward:

"Creative children create better futures" is the concept which best describes our global aim.

The mission of the Creative Children's Academy Trust can be described in a simple statement, a sentiment drawn from the mouths of our own children "to be the best schools in Rotherham, and indeed the world".

We aim to achieve this by:

- Celebrating our uniqueness and differences;
- Putting our communities and families at the centre of what we do;
- Being uncompromising in our focus on school improvement and actively influencing and supporting Rotherham's commitment to ensuring better life chances for all its young people;
- Adopting the mantra "We are all learners - always"

#### **Key Objectives in the reporting period**

Reviewing the Aims and Mission of the Trust has been an integral part of our development work to expand the Trust into a three-school MAT. The key business objectives in the year have focussed on work to achieve the successful conversions of Redscope and Thorpe Hesley schools into academies and their resulting inclusion into the CCAT family. The conversion process has been adversely and directly affected by the Covid-19 pandemic and the associated impact on access to businesses services such as legal and local authority legal/planning. The Trust is very proud of the fact that it achieved approval for the two school conversions during these very difficult times so that we entered the new academic year (from 1st September 2020) as a MAT of 3 primary schools.

## **Children's Academy Trust Limited**

### **Report of the Trustees for the Year Ended 31 August 2020**

#### **Public Benefit**

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers. The principles of benefit to the public are enshrined in the statements within the report. The Trust's recent fundamental review of its overall aims and objectives has been an effective tool for ensuring that its activities and objectives going forward are targeted and firmly based on public benefit.

#### **STRATEGIC REPORT**

##### **Achievements and Key Performance Indicators**

The Trust set four key strategic areas as a focus for its work during the previous reporting year to 31st August 2019. The same areas have remained in the current reporting year given that they were the fundamental building blocks of the move from single Academy MAT to a MAT of three schools. We report on the progress in each area:

- **Solid Governance arrangements** - the whole Board has been re-constituted with new Trustees representing a range of professional skills and expertise against skills-driven recruitment. The interim Chair was replaced by a new, permanent Chair during the previous reporting period. The Chair and the new Board have overseen the development of the MAT.

- **Development of the MAT** - the conversion timetable for the acquisition of the two new schools has been rescheduled a number of times. The lockdown response to Covid-19 presented particular difficulties for school business operations as well as the Trust's ability to effectively pursue the necessary legal and organisational agreements to achieve conversions. The Trust targeted additional resources over the summer to overcome the barriers presented by Covid restrictions and secure Departmental agreement to both schools converting to Academy status from the start of the new academic year - 1st September 2020. This is a massive achievement for the Trust and has set the context for consolidation work as a MAT over the coming reporting year to 31st August 2021.

- **Partnership work between the three schools** - the cross-curricular working groups established with staff from all schools have been working extremely well against agreed Action Plans and outputs. Additional subject-specific Groups have been added. All three schools continue to benefit from the outputs of these specialist forums, both in terms of enhancements to curricula and in staff development. Initial feedback from joint school improvement and planning meetings has been tremendous with staff commenting very positively on their experiences of the joint working. The adherence to safe working practices during the Pandemic has effectively ended face-to-face group work, but each forum is continuing to work remotely against their work plans and objectives. When Lockdown restrictions end, the Trust expects this element of its work to continue and expand.

- **Academic Performance** - normally, the Trust would publish key SATs data sets relating to the achievement of academic targets. The outbreak of Coronavirus has completely undermined the national system for monitoring and testing academic achievement. At its February 2020 Board meeting, Trustees considered a performance summary based on the latest available data, with its family of three schools benchmarked against National and Regional data. This was to establish an initial benchmark for the Trust against which future performance of its schools can be measured. The performance summary for the group of three schools is as follows:

##### **Key Stage 2**

- Across all three schools there were 147 pupils in Y6, of these 145 pupils accessed the assessments in Reading, Writing, GPS and Maths
- At expected standard in Reading, Writing and Maths. The three schools have historically been above the National Average but there was a small dip this year dip to just below. This was an expected outcome and cohort specific.
- At Expected standard in individual subjects, the schools are above national expectations as a group of schools apart from Reading which is 1% below - this difference is considered insignificant.
- At Greater Depth as a group of schools - above National Average in maths and equal to it in GPS. Reading and Writing Greater Depth are just below National Average



## **Children's Academy Trust Limited**

### **Report of the Trustees for the Year Ended 31 August 2020**

#### **Early Years and Foundation Stage**

- Above National and Local Authority outcomes for Foundation Stage 2 pupils at a Good Level of Development.
- Above National and Local Authority outcomes for Year 1 pupil phonic screening.

The Trust noted that Individual school data shows a slightly different picture with success occurring in some schools in areas where others have had a dip this year. Generally, the Trust's baseline view of the joint and individual data is good. One element of the Trust's School Improvement Strategy is the use of data to determine cross-school focus groups. These staff led Working Groups, for example "Greater Depth in English", work against agreed specific objectives towards the achievement of whole-Trust outcomes to improve performance across all schools.

The work of the Groups is continuing by email or virtually in 2020/21, with goals and objectives revised to suit working conditions and arrangements during the pandemic. Each of the three Head Teachers will have a common performance target this year linked to the success of the Groups.

#### **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.

#### **Financial Review**

The largest proportion of the Trust's income is obtained from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA and associated expenditure for the year ended 31 August 2020 are shown in restricted funds in the Statement of Financial Activities.

The Trust also receives grants from ESFA and from other government bodies, including capital grants. In accordance with Statement of Recommended Practice 2015 ("SORP 2015") such grants are also shown in the Statement of Financial Activities as restricted income. During the year ended 31 August 2020, total income was £1,015,914 (2019: £1,095,935) and total expenditure was £1,133,107 (2019: £1,471,219 including £323,853 in relation to premises maintenance).

At 31 August 2020, there is an excess of expenditure over income (before actuarial loss on defined benefit pension schemes) of £117,193 (2019: £375,284) which is stated after charges for depreciation of £43,510 (2019: £46,343) and the LGPS pension adjustment of £56,000 (2019: £73,000) both of which are "non-cash items". The £258,091 reduction in the excess of expenditure over income this year largely reflects one-off items in 2019 that have not recurred in 2020, being £323,853 premises maintenance expenditure from a Condition Improvement Fund grant received in 2018, less a £50k start up grant received in 2019. An actuarial gain of £87,000 (2019: loss of £124,000) arose on the Trust's share of the Local Government Pension Scheme (LGPS) deficit during the year. The Statement of Financial Activities therefore shows a total net decrease in funds of £30,193 in the year (2019: £670,284 decrease).

The actuarial gain of £87,000 arising on the Academy Trust's share of the LGPS during the year, together with other movements, has resulted in an LGPS deficit of £846,000 as at 31 August 2020 (2019: £877,000). The size of the pension deficit is an issue for the whole academies sector and is being eliminated gradually over 20 years by additional LGPS contributions. The need for further additional contributions will be kept under review based on actuarial advice.

At 31 August 2020, the Trust had net assets/total funds of £1,144,417 (2019: £1,174,610). This comprised fixed assets with a net book value of £1,755,642 (2019: £1,791,411), other assets of £281,437 (2019: £317,656) (including bank balances of £254,266 (2019: £255,534)), and liabilities (excluding the LGPS pension deficit) of £46,662 (2019: £57,457). Net current assets were £242,479 as at 31 August 2020 (2019: £260,199, and liabilities due in more than one year amounted to £7,704 (2019: £nil).

## **Children's Academy Trust Limited**

### **Report of the Trustees for the Year Ended 31 August 2020**

#### **Reserves Policy**

The building and maintenance of reserves is an issue which the Trust is currently addressing in line as part of its work to consolidate as a multi academy trust of three schools. The Trust will not have access to the final accounts positions of both incoming schools from the Local Authority until up to 16 weeks after conversion. This information is key to completing work on the production of a consolidated Trust budget, financial targets, top-slice funding formula for Trust central services and reserves policy. The policy, including free reserves, will be set by Trustees as soon as the Local Authority is able to supply confirmation of the outstanding financial information.

In agreeing the policy, the Trust will bear in mind both the experience of managing the Coronavirus pandemic in school during the reporting year and additional associated costs and any extrapolation of costs considered likely in the wake of extended or new virus management arrangements in future years.

The Trust's unrestricted reserves at 31 August 2020 are £176,822 (2019: £178,292).

#### **Investment Policy**

An Investment policy will be considered by Trustees as part of the consolidation work and in the context of confirmed budgets.

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

The Trust entered the reporting year knowing its principal risks and uncertainties rested on its efforts to reconstitute itself as a three-school MAT through the conversions of Redscope and Thorpe Hesley primary schools.

The emergence of the Covid-19 Pandemic was an unexpected additional factor which had the capacity to completely undermine the planned conversions of the schools and ultimately delay the Trust's development plans for an unspecified and potentially lengthy period. There were implications too in relation to the capacity and resourcefulness of schools individually to respond quickly and successfully to the wholesale changes imposed by central Government to the management and operation of school during Covid restrictions.

#### **- Maintaining the momentum on the Conversions**

Regardless of the difficulties in undertaking normal business transactions because of Covid restrictions imposed on almost all businesses, the Trust decided to continue with its pursuit and completion of the financial, planning and legal processes necessary to achieve conversion of the schools. This work continued all through the annual schools summer closedown. The Trust is grateful to key partners in helping them to achieve September 2020 conversions for the schools - the Head Teachers and Business Managers of Anston Greenlands, Redscope and Thorpe Hesley schools; its own Board of Trustees; Harris & Co (Trust Accountants); Taylor Bracewell (Trust Solicitors); colleagues at the Local Authority; our Department Partners at DfE; and colleagues at ESFA. The Trust would like to place on record special thanks to the CEO-elect and the Executive Assistant to the CEO who led the conversion work on behalf of the Trust.

#### **- The application of virus control methods in school**

Although this report relates to the Trust's single school, Anston Greenlands Primary, Trustees feel that it is appropriate to comment on all three schools since they were already working in an informal partnership.

On an operational level, all the schools were affected dramatically, with wholesale changes made to daily practice. This will remain the case certainly for the immediate future across the three schools within this MAT and perhaps a long time into the future. From March 2020, it was necessary for the Head Teachers and their senior leadership teams to organise procedures and policies in response to the pandemic, both immediate and long-term, including organising staffing timetables and providing care for key worker children during lockdown. All three schools remained open during the Easter break in order to continue to provide for the children of the key workers.

## **Children's Academy Trust Limited**

### **Report of the Trustees for the Year Ended 31 August 2020**

Multiple risk assessments were needed to cover partial re-opening of school (initially FS2, Year1 and Year 6 children plus the children of key workers) and then later following full reopening. This was to ensure that the arrangements were safe and fit for purpose and also to share with parents and families at a very unsettling time. In preparation, and in their own time, staff physically rearranged classrooms so they could keep children safe, operating "bubble" systems to minimise the risk of cross-infection. New and additional cleaning arrangements were introduced, along with sanitiser points throughout the schools and within classrooms. The new arrangements required revised timetabling to enable the staggered lunchtimes, breaktimes and pick up times which were key to keeping individuals and bubbles apart and safe. Risk assessments continue to be monitored and adapted to this end and uploaded to the schools' websites to keep families informed.

It has also been necessary to work quickly to produce quality plans and materials for remote education support in the event of a local lockdown, or a bubble or individual having to self-isolate. This has resulted in additional cost to the schools as well as impacting on staff time in an already pressured teaching environment. Where staff have had to self-isolate, Teaching Assistants and support staff have been leading classes on site, sometimes with the isolated teacher joining in remotely from home.

#### **Additional work pressure on schools and staff**

Safeguarding work has increased as the virus takes its toll on family lives. Staff in school have dealt with additional phone calls, administration and occasionally doorstep visits to homes where families are particularly struggling with issues such as wellbeing, mental health and domestic violence.

The wellbeing of staff is important to the Trust and it is aware of the gargantuan effort that staff have put into keeping schools open and safe. They have done a superb job, but that has come at a cost for their own mental health and well-being. The Head Teachers and their SLTs have worked extra hard to support staff during these difficult times.

The valuable contribution of school volunteers has been impeded during the pandemic. Those who are elderly or vulnerable have been unable to volunteer in school despite the precautions taken. This is essential for their safety but has resulted in additional work for staff.

Throughout the pandemic, site managers and cleaning staff have worked tirelessly to ensure safe and sanitary conditions in school. This has involved the deep-cleaning of classrooms and shared spaces, with additional cleaning rounds each day. The cost of the extra cleaning and cleaning materials has only been partly met by Government grants to the end of the summer term 2020. Since that time, schools are self-funding the additional cleaning costs. The Trust will ask that the Department reviews its position on the provision of additional funding for Covid-specific cleaning costs and classroom reorganisation in the light of continuing lockdown and need to respond to new and emerging regulations.

The Trust's ability to continue to network with stakeholders is limited in part. Where virtual arrangements are in place, the Trust is continuing to contribute.

#### **Fundraising**

The Trust did not undertake any fundraising activity in the reporting period. If in future it decides to develop a fundraising strategy, it will comply with the provisions of the Charities (Protection and Social Investment) Act 2016.

#### **Streamlined Energy and Carbon Reporting**

The Trust does not fall into the category of a large company, as determined by sections 465 and 466 of the Companies Act 2006, and is therefore not within scope of the reporting requirements set under the provisions of Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

## **Children's Academy Trust Limited**

### **Report of the Trustees for the Year Ended 31 August 2020**

#### **Plans for Future Periods**

Following the successful completion of the conversions of Redscope and Thorpe Hesley Primary schools, the Trust's key objectives for the 2020-21 academic year are to solidify the foundations of the Creative Children's Academy Trust as a three-school MAT by:

- Continuing our work to embed the new shared ethos and mission amongst our schools and throughout the Trust governance structure;
- Working to consolidate processes and systems so that we can work efficiently as one organisation;
- Joint endeavours to continually push for creativity in the curriculum so that our model and approach is something that other academy trusts respect and want to emulate;
- Building on our experience and excellent response to the challenges posed by Covid 19 in order to keep as many of our children as possible in a safe and welcoming learning environment;
- Taking action quickly and decisively in the face of individual break-outs of positive Covid tests and/or regional surges in cases;
- Keeping our parents, carers and learning community informed of choices and decisions and making Risk Assessments available online.

#### **Funds Held as Custodian Trustee on Behalf of Others**

The Trust does not hold the assets of any other organisation or charity as a Custodian Trustee.

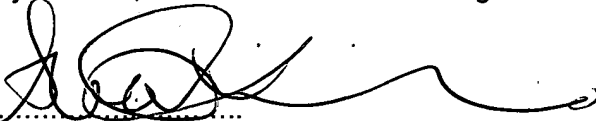
#### **AUDITORS**

Insofar as the trustees are aware:

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

The Trust Board has considered the re-appointment of the auditor. It continues to hold the view that it is an imperative to retain the services of the existing Auditor because of the value of their in-depth knowledge of the Trust as a business, particularly in the context of the MAT's continuing development journey with a focus on consolidation.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 8 December 2020 and signed on the board's behalf by:



.....  
Mr S Walker - Chair

## **Children's Academy Trust Limited**

### **Governance Statement for the Year Ended 31 August 2020**

#### **Scope of Responsibility**

As trustees we acknowledge we have overall responsibility for ensuring that the Children's Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance. Trustees are provided annually with a personal copy of the Academies Financial Handbook ("the Handbook") issued by ESFA.

During the period of this report, the board of trustees has delegated day-to-day responsibility to the Head Teacher of Anston Greenlands school, as Accounting Officer (AO), 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 Children's Academy Trust and the Secretary of State for Education. The AO is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

As a single school MAT, the local Governing Body has played the primary role in financial management and governance, since the local body is best placed to apply the rigour and challenge expected of good governance. The school's accounts are provided on a monthly basis to the Chair of the Trust and shared with the Board as required by the Handbook. Key statutory financial returns are generated at school level for consideration and approval by the Governing Body or its Resources committee and then submitted for final approval and submission to the Chair of the Trust and its Finance Trustee (a qualified Accountant).

The Trust became a three-school MAT on 1st September 2020. The Accounting Officer has stood down and the role has been taken over by the Trust's first Chief Executive Officer (CEO). The current Accounting Officer (Head Teacher at Anston Greenlands school) has also completed his term as a Trustee of the company. The CEO has been appointed to the Board of Trustees, without voting rights.

#### **Governance**

During the reporting period, the Trust dealt with all its business at the full Board, including finance, audit, risk, appointments, pay and remuneration. This has been deliberate as a newly-reconstituted Board so that all Trustees would benefit from a period of induction to become familiar with the whole range of business for Academy Trusts. This has worked well. Not only are Trustees fully briefed on all areas of activity, but the Board has also used this time to ascertain how the individual skills and experience of Trustees might map across to form the necessary scrutiny committees.

Outside the period of this report, the Trust has nominated individuals to form the following committees:

- **Audit and Risk:** Chaired by the lead Finance Trustee (a qualified Accountant and UK Finance Director for a multi-national company) with two members (our Legal Trustee (qualified Solicitor specialising in Public Law and Administration) and the Trust Chair. The Trust's CEO/Accounting Officer takes part in the meetings for the provision of advice, along with the Trust's Finance Officer. The first meeting of this committee was held (remotely) on 5th November 2020.

- **Pay, Remuneration and Appointments:** An appointment panel was convened for the filling of the vacant Head Teacher post at Redscope school. The panel comprised the Trust's School Improvement specialist Trustee, our Lifelong Learning Trustee (with a background in primary education) and the Trust CEO. The Board ratified the appointment of the successful candidate at its meeting on 11th November 2020.

The information on governance included here supplements that already described in the Trustees' Report and in the Statement of Trustees' Responsibilities. During the reporting period to 31st August 2020, the Board of Trustees met formally four times. It also held a separate AGM. As a single school MAT, the Trust elected to keep all business, including Finance and Audit, within the brief of the main Board.

The dates of meetings held and Trustees' attendance is shown below. Full information, to include the attendance of significant partners/stakeholders/service providers can be found on the Trust's website ([www.creativechildrensacademytrust.co.uk](http://www.creativechildrensacademytrust.co.uk)).

## **Children's Academy Trust Limited**

### **Governance Statement for the Year Ended 31 August 2020**

Full meetings of the Board were held on:

- 9th September 2019
- 4th December 2019
- 11th February 2020
- 14th July 2020
- The Trust held a separate AGM on 4th December 2019.

Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
J Armstrong	3	5
C Cannings	5	5
W Ryan	3	5
A Sandhal	3	5
S Walker (Chair)	5	5
M Ward	3	5
A Wirth	3	5
T Toms (CEO-elect)	5	5

The Trust's schedule of meetings met the statutory requirement to meet at least three times. This was considered proportionate for a single-academy Trust. For 2020-21, as a three-school MAT, the Trust will adopt the Department's recommended guidance to meet at least six times per year, either as a whole Board or in committee.

As part of the development of the Creative Children's Academy Trust (CCAT) as a MAT of three schools, Board meetings have been hosted at individual schools over the reporting period as well as at its Registered office.

Following the announcement of national lockdown as a response to the Coronavirus pandemic in March 2020, all Trust Board meetings have been virtually-hosted. This arrangement will continue until further guidance is given by Government that it is once again safe to meet in person.

#### **Governance reviews**

The Trust will review its governance arrangements and performance in the light of its experience of the first twelve months as a three-school MAT.

#### **Review of Value for Money**

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

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

- achieving savings on service-level contracts through the three schools working together to purchase joint services such as training and development support rather than on an individual basis.
- benefitting from the outputs from the schools' joint working groups which are providing valuable school improvement resources which none of the schools individually would have been able to finance from external sources.

#### **Covid-19 Procurement**

During the period there were many additional purchases of PPE and cleaning products. The usual procurement procedures were followed with finance officers continuing to source quotes and ensure best value. Some of these expenses have been covered by additional government grants over the summer. However, the Trust notes that such grants have not been available into the new reporting year (2020/21) despite Covid restrictions continuing and there being no abatement to the increased levels of cleaning and sanitation arrangements needed.

## **Children's Academy Trust Limited**

### **Governance Statement for the Year Ended 31 August 2020**

#### **Covid-19 Procurement (Continued....)**

There have also been other unbudgeted costs directly relating to Covid management which have had to be absorbed, such as additional staffing to cover absences and/or management of bubble arrangements in school, additional cleaning hours and more staff to cover staggered lunches. The school's efforts to ensure its premises conformed to Covid regulations resulted in additional costs, for example the movement of whiteboards or the purchase of additional whiteboards in order to adapt to new classroom spacing and layouts. These additional costs represent a significant strain on school budgets going forward. Some, but not all will be absorbed by making cuts where possible. The net effect of rigorous Covid management in schools will always result in increased spending which is difficult to profile and plan for under continuously changing circumstances.

#### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Trust considers its internal controls to be robust; these have been in place in the Children's Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The Board of Trustees continues to view risk management as a live issue, not one which is reviewed from time to time. The board of trustees is of the view that there is an on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. The Trust will be conducting a root and branch review of risk through its Audit and Risk Committee, the Chair of which is a professionally-qualified accountant from the private sector. The review will include a complete re-evaluation of risk and exposure to risk in the context of the Trust as a three-school MAT. It will also review risk in the light of experience of the Trust's response to Covid management in its schools.

#### **The Risk and Control Framework**

The Trust's existing system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. It applies to the functions of the single school in the Trust during the period of this report. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget with monthly budget and variance reports submitted to the Local Governing Body;
- monthly submission of accounts to the Chair of the Trust Board, with periodic financial reports to the Board of Trustees; regular reviews of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The internal audit function at the school is currently provided on contract by Rotherham Metropolitan Borough Council (RMBC). Their role includes giving advice on financial matters and performing a range of checks on financial systems. Scheduled audits are carried out as part of the service level agreement and any recommendations for change are considered and acted upon at the appropriate level (ie at the level of the Trust or the individual school).

Going forward, the Trust has decided to purchase its internal audit provision from RMBC for all three schools for the purposes of continuity. It has also bench-marked the proposed RMBC cost per audit with other external providers and found it to be highly competitive.

**Children's Academy Trust Limited**

**Governance Statement  
for the Year Ended 31 August 2020**

**Review of Effectiveness**

The Accounting Officer, Mr A Wirth has responsibility for reviewing the effectiveness of the system for internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- ~~the work of the external auditor;~~
- the work of executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

Audits have been completed in the following areas during the reporting period at Anston Greenlands school:

- Financial control arrangements relating specifically to income collection
- Assessment of the adequacy of the internal control arrangements surrounding health & safety functions
- Examination of controls for staff sickness reporting and monitoring

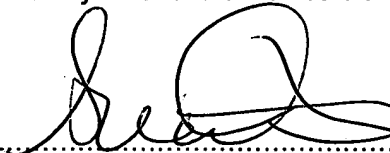
Assurance levels achieved:

- |   |             |
|---|-------------|
| - income collection                       | reasonable  |
| - health and safety functions             | substantial |
| - staff sickness reporting and monitoring | substantial |

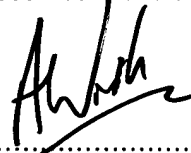
The Internal Auditor has delivered their schedule of work as planned. They have provided an individual report for each Audit undertaken which has been considered by the local governing body and a management response to any recommendations provided. This has resulted in an agreed plan for remedial action where necessary. The internal Auditor has provided an Internal Audit Scrutiny Summary Report covering all of its audit work during the year and detailing its assurance opinion and details of any requested action. This report has been considered by the Trust's new Audit and Risk Committee at its first meeting on 5th November 2020 where it noted the assurance levels achieved as specified above. In line with the new arrangements announced in the Academies Financial Handbook 2020, the Internal Audit Scrutiny Summary Report will form part of the Annual Accounts documentation submitted to the Education and Skills Funding Agency.

All mandatory Departmental Returns have been completed and submitted within the specified timescale, or within a revised timescale set by the Department because of the implications of Coronavirus.

Approved by order of the members of the board of trustees on 8 December 2020 and signed on its behalf by:



Mr S Walker - Chair



Mr A Wirth - Accounting Officer



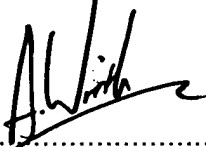
**Children's Academy Trust Limited**

**Statement on Regularity, Propriety and Compliance  
for the Year Ended 31 August 2020**

As accounting officer of Children's Academy Trust Limited I have considered my responsibility to notify the charitable company 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 charitable company, under the funding agreement in place between the charitable company 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 2019.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of all funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2019.

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.



.....  
Mr A Wirth - Accounting Officer

8 December 2020

**Children's Academy Trust Limited**

**Statement of Trustees Responsibilities  
for the Year Ended 31 August 2020**

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

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

In preparing these financial statements, the trustees are required to:

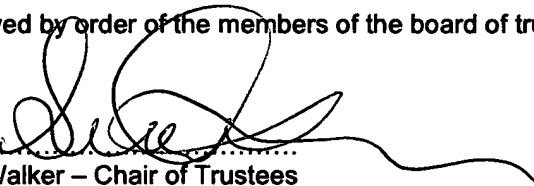
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 and its Supplementary Bulletin;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 8 December 2020 and signed on its behalf by:

  
.....  
Mr S Walker – Chair of Trustees

## **Report of the Independent Auditors to the Members of Children's Academy Trust Limited**

### **Opinion**

We have audited the financial statements of Children's Academy Trust Limited (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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 2015 and Academies Accounts Direction 2019 to 2020.

### **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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of Children's Academy Trust Limited**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

### **Responsibilities of trustees**

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

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

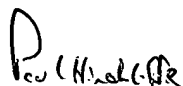
### **Our responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### **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 auditors' 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.



Paul Hinchliffe BA FCA (Senior Statutory Auditor)  
for and on behalf of Harris & Co Limited  
Chartered Accountants & Statutory Auditor  
Marland House  
13 Huddersfield Road  
Barnsley  
South Yorkshire  
S70 2LW

Date: 8.12.20

## **Independent Reporting Accountant's Assurance Report on Regularity to Children's Academy Trust Limited and the Education and Skills Funding Agency**

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Children's Academy Trust Limited during the period 1 September 2019 to 31 August 2020 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 Children's Academy Trust Limited and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Children's Academy Trust Limited and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Children's Academy Trust Limited and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Children's Academy Trust Limited's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Children's Academy Trust Limited's funding agreement with the Secretary of State for Education dated 30 October 2014 and the Academies Financial Handbook, extant from 1 September 2018, 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 2019 to 2020. 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 2019 to 31 August 2020 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 Academies Accounts Direction 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

- consideration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance;
- evaluation of the general control environment of the Academy Trust;
- assessment and testing of a sample of the specific control activities over regularity of a particular activity;
- consideration of whether the activity is permissible within the Academy Trust's framework of authorities.
- consideration of matters raised by the academy trust's internal auditors.

**Independent Reporting Accountant's Assurance Report on Regularity to  
Children's Academy Trust Limited and the Education and Skills Funding Agency**

**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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Harris & Co*

Harris & Co Limited  
Chartered Accountants  
Marland House  
13 Huddersfield Road  
Barnsley  
South Yorkshire  
S70 2LW

Date *8.12.20* .....

Statement of Financial Activities  
for the Year Ended 31 August 2020

			Unrestricted fund	Restricted funds	Restricted Fixed Asset	2020 Total funds	2019 Total funds
			£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>							
Donations and capital grants	2		3,952	-	(3,911)	41	24,414
Charitable activities							
Funding for the academy's educational operations	3		-	949,692	-	949,692	984,859
Other trading activities	4		66,046	-	-	66,046	86,470
Investment income	5		135	-	-	135	192
<b>Total</b>			<b>70,133</b>	<b>949,692</b>	<b>(3,911)</b>	<b>1,015,914</b>	<b>1,095,935</b>
<b>EXPENDITURE ON</b>							
Raising funds	7		-	3,857	-	3,857	2,547
Charitable activities							
Academy's educational operations			71,603	1,003,138	54,509	1,129,250	1,468,672
<b>Total</b>	6		<b>71,603</b>	<b>1,006,995</b>	<b>54,509</b>	<b>1,133,107</b>	<b>1,471,219</b>
<b>NET INCOME/(EXPENDITURE)</b>			<b>(1,470)</b>	<b>(57,303)</b>	<b>(58,420)</b>	<b>(117,193)</b>	<b>(375,284)</b>
Other recognised gains/(losses)							
Actuarial gains/losses on defined benefit schemes			-	87,000	-	87,000	(295,000)
<b>Net movement in funds</b>			<b>(1,470)</b>	<b>29,697</b>	<b>(58,420)</b>	<b>(30,193)</b>	<b>(670,284)</b>
<b>RECONCILIATION OF FUNDS</b>							
<b>Total funds brought forward</b>			<b>178,292</b>	<b>(826,400)</b>	<b>1,822,718</b>	<b>1,174,610</b>	<b>1,844,894</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>			<b>176,822</b>	<b>(796,703)</b>	<b>1,764,298</b>	<b>1,144,417</b>	<b>1,174,610</b>

The financial statements were approved by the Board of Trustees on 8 December 2020 and were signed on its behalf by:

Mr S Walker - Chair of Trustees

**Children's Academy Trust Limited (Registered number: 09061804)**

**Balance Sheet  
At 31 August 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	13	1,755,642	1,791,411
<b>CURRENT ASSETS</b>			
Stocks	14	2,103	1,637
Debtors	15	25,068	60,485
Cash at bank		<u>254,266</u>	<u>255,534</u>
		281,437	317,656
<b>CREDITORS</b>			
Amounts falling due within one year	16	(38,958)	(57,457)
<b>NET CURRENT ASSETS</b>		<u>242,479</u>	<u>260,199</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,998,121	2,051,610
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	(7,704)	-
<b>PENSION LIABILITY</b>	22	(846,000)	(877,000)
<b>NET ASSETS</b>		<u>1,144,417</u>	<u>1,174,610</u>
<b>FUNDS</b>	21		
Unrestricted funds:			
General fund		176,822	178,292
Restricted funds:			
Restricted General		49,297	50,600
Restricted Fixed Asset		1,764,298	1,822,718
Restricted - Pension		<u>(846,000)</u>	<u>(877,000)</u>
		967,595	996,318
<b>TOTAL FUNDS</b>		<u>1,144,417</u>	<u>1,174,610</u>

The financial statements were approved by the Board of Trustees on 8 December 2020 and were signed on its behalf by:

.....  
Mr S Walker - Chair of Trustees

The notes form part of these financial statements



**Children's Academy Trust Limited**

**Cash Flow Statement  
for the Year Ended 31 August 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>10,249</u>	<u>(147,680)</u>
<b>Net cash provided by (used in) operating activities</b>		<u>10,249</u>	<u>(147,680)</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(7,741)	(81,008)
Capital grants from DfE/ESFA		(3,911)	16,190
Interest received		<u>135</u>	<u>192</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(11,517)</u>	<u>(64,626)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(1,268)</u>	<u>(212,306)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>255,534</u>	<u>467,840</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>254,266</u></u>	<u><u>255,534</u></u>

The notes form part of these financial statements

**Children's Academy Trust Limited**

**Notes to the Cash Flow Statement  
for the Year Ended 31 August 2020**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2020 £	2019 £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	(117,193)	(375,284)
<b>Adjustments for:</b>		
Depreciation	43,510	46,343
Capital grants from DfE/ESFA	3,911	(16,190)
Interest received	(135)	(192)
(Increase)/decrease in stocks	(466)	1,134
Decrease in debtors	35,417	152,635
Decrease in creditors	(10,795)	(29,126)
Difference between pension charge and cash contributions	<u>56,000</u>	<u>73,000</u>
<b>Net cash provided by (used in) operating activities</b>	<u><u>10,249</u></u>	<u><u>(147,680)</u></u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/9/19 £	Cash flow £	At 31/8/20 £
<b>Net cash</b>			
Cash at bank	255,534	(1,268)	254,266
<b>Total</b>	<u><u>255,534</u></u>	<u><u>(1,268)</u></u>	<u><u>254,266</u></u>

## **Children's Academy Trust Limited**

### **Notes to the Financial Statements for the Year Ended 31 August 2020**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

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

##### **Basis of preparing the financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

##### **Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Critical accounting judgements and key sources of estimation uncertainty**

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

##### **Critical accounting estimates and assumptions:**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes to the accounts, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

Capital grants, including those from the Condition Improvement Fund, 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 on a receivable basis and upon entitlement, and not deferred over the life of the asset on which they are expended. Where entitlement occurs before income is received, the income is accrued.

Expenditure incurred from capital grant income is recognised either through the Statement of Financial Activities or capitalised on the Balance Sheet, depending on its nature. Expenditure is capitalised where the expenditure provides incremental economic benefits to the entity. Where the expenditure is in respect of repairs and maintenance, or an asset which may have to be replaced at regular intervals, expenditure is written off through the Statement of Financial Activities.

**Children's Academy Trust Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2020**

**1. ACCOUNTING POLICIES - continued**

**Income**

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

Donations are recognised on a receivable basis where receipt is probable, and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the bank.

# **Children's Academy Trust Limited**

## **Notes to the Financial Statements - continued for the Year Ended 31 August 2020**

### **1. ACCOUNTING POLICIES - continued**

#### **Expenditure**

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

Expenditure on raising funds 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.

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

All expenditure is inclusive of irrecoverable VAT.

Where assets and liabilities in respect of an existing academy are transferred out of the trust, the transferred assets and liabilities are derecognised from the balance sheet at the point when the risks and rewards of ownership pass from the trust, which is on signing of the transfer agreement with the trust to which the academy is transferring. An equal amount of expenditure is recognised for the transfer of an existing academy out of the trust.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold land and buildings	- Straight line over 50 years
Furniture and equipment	- Straight line over 10 years
Computer equipment	- Straight line over 5 years

Depreciation is not charged on freehold land. Assets inherited on conversion (other than land and buildings) are depreciated over their estimated remaining useful life, as at the date of conversion.

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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 incorporating income and expenditure account.

# **Children's Academy Trust Limited**

## **Notes to the Financial Statements - continued for the Year Ended 31 August 2020**

### **1. ACCOUNTING POLICIES - continued**

#### **Financial instruments**

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

**Financial assets** - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in the notes to the accounts. Prepayments are not financial instruments.

**Financial liabilities** - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in the notes to the accounts. 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.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

#### **Taxation**

The academy 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 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.

#### **Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

# Children's Academy Trust Limited

## Notes to the Financial Statements - continued for the Year Ended 31 August 2020

### 1. ACCOUNTING POLICIES - continued

0100 0505

#### Pension costs and other post-retirement benefits

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

091.01 (118.8) (112.8)

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

031.01 (55.01)

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account 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.

015.00 56.508 58.503

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

007.01 007.02 007.03

#### Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

021.01 002.02 002.03

#### Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

000.01 000.02 000.03

#### Liabilities and provisions

Liabilities and provisions 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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

020.01 011.8 - 011.8

010.02 010.03 - 010.03

010.04 010.05 - 010.05

010.06 010.07 - 010.07

010.08 010.09 - 010.09

010.10 010.11 - 010.11

010.12 010.13 - 010.13

010.14 010.15 - 010.15

010.16 010.17 - 010.17

010.18 010.19 - 010.19

010.20 010.21 - 010.21

010.22 010.23 - 010.23

010.24 010.25 - 010.25

010.26 010.27 - 010.27

010.28 010.29 - 010.29

**Children's Academy Trust Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2020**

**2. DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Donations	3,952	-	3,952	8,224
Grants	-	(3,911)	(3,911)	16,190
	<u>3,952</u>	<u>(3,911)</u>	<u>41</u>	<u>24,414</u>

Grants received, included in the above, are as follows:

	2020 £	2019 £
Capital grants received	6,361	16,190
Salix loan reclassified	(10,272)	-
	<u>(3,911)</u>	<u>16,190</u>

Capital grant income is showing as negative due to a £10,272 Salix loan advance from ESFA being included in a previous year's Conditional Improvement Fund grant income which has been transferred to other creditors (see note 16 and 17) this year.

**3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
<b>DfE/ESFA revenue grant</b>				
General Annual Grant (GAG)	-	807,824	807,824	804,212
Other ESFA grants	-	90,762	90,762	108,763
Pupil Premium	-	29,779	29,779	31,448
	-	928,365	928,365	944,423
<b>Other government grant</b>				
Other LA funding	-	21,327	21,327	40,436
	-	<u>949,692</u>	<u>949,692</u>	<u>984,859</u>

There are no unfulfilled conditions at the year end with regards to the amounts included in the above government grants. The other ESFA grant income mainly relates to Teachers' Pay and Teachers' Pension grant income and Universal Free School Meals.

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
Catering	16,845	-	16,845	24,106
Other income	8,174	-	8,174	10,063
Trip income	19,335	-	19,335	22,213
Uniform	3,143	-	3,143	3,985
Hire of facilities	3,569	-	3,569	3,353
Breakfast club	14,980	-	14,980	22,750
	<u>66,046</u>	-	<u>66,046</u>	<u>86,470</u>



# Children's Academy Trust Limited

## Notes to the Financial Statements - continued for the Year Ended 31 August 2020

### CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

#### 5. INVESTMENT INCOME

	2020	2019
Total funds	Total funds	Total funds
£	£	£
Deposit account interest	135	192
<u>135</u>	<u>192</u>	
<u>135</u>	<u>192</u>	

#### 6. EXPENDITURE

	Staff costs	Non-pay expenditure	2020 Total	2019 Total
	£	Premises £ Other costs £	£	£
<b>Raising funds</b>				
Costs of fundraising				
Direct costs	3,857	-	3,857	2,547
<b>Charitable activities</b>				
<b>Academies educational operations</b>				
Direct costs	710,941	-	813,229	828,935
Allocated support costs	136,340	65,930	316,021	639,737
<u>851,138</u>	<u>65,930</u>	<u>216,039</u>	<u>1,133,107</u>	<u>1,471,219</u>

Net income/(expenditure) is stated after charging/(crediting):

In 2020, included in the total expenditure of £1,133,107 (2019: £1,471,219), £71,603, (2019: £34,353) was to unrestricted funds, £54,509 was to restricted fixed asset funds (2019: £379,128) and £1,006,995 (2019: £1,057,738) was to restricted funds.

In 2020, included in the total expenditure of £1,133,107 (2019: £1,471,219), £71,603, (2019: £34,353) was to unrestricted funds, £54,509 was to restricted fixed asset funds (2019: £379,128) and £1,006,995 (2019: £1,057,738) was to restricted funds.

#### 7. RAISING FUNDS

##### Costs of fundraising

	Unrestricted funds	Restricted funds	2020 Total	2019 Total
	£	£	£	£
Staff costs	-	3,857	3,857	2,547

# Children's Academy Trust Limited

## Notes to the Financial Statements - continued for the Year Ended 31 August 2020

### 8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	2020	2019
Total	Total	Total
£	£	£
Direct costs	21,220	828,935
Support costs	50,383	639,737
	<u>71,603</u>	<u>1,468,672</u>

	2020	2019
Total	Total	Total
£	£	£
Analysis of support costs		
Support staff costs	136,340	131,294
Depreciation	2,158	2,300
Technology costs	21,192	25,424
Premises costs	65,930	388,724
Other support costs	82,651	84,245
Governance costs	7,750	7,750
Total support costs	<u>316,021</u>	<u>639,737</u>

### 9. TRUSTEES' REMUNERATION AND BENEFITS

One or more 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 other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

	2020	2019
£	£	£
Mr A Wirth	60-65	55-60
Remuneration	10-15	5-10
Pension contributions paid		

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2020 nor for the year ended 31 August 2019.

	2020	2019
Total	Total	Total
£	£	£
Other transactions		
Other related party transactions involving the trustees are set out in the Related Party Disclosures		

# **Children's Academy Trust Limited**

## **Notes to the Financial Statements - continued for the Year Ended 31 August 2020**

### **10. STAFF COSTS**

	2020 £	2019 £
Wages and salaries	618,977	612,697
Social security costs	50,513	45,991
Operating costs of defined benefit pension schemes	<u>181,648</u>	<u>171,945</u>
	851,138	830,633
Supply teacher costs	<u>-</u>	<u>6,045</u>
	<u>851,138</u>	<u>836,678</u>

The average number of persons employed by the academy trust during the year expressed as full-time equivalents:

	2020	2019
Teachers and teaching assistants	16	17
Administration and support	4	4
Management	<u>1</u>	<u>1</u>
	<u>21</u>	<u>22</u>

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2020	2019
Teachers & teaching assistants	20	24
Support and administrative	15	14
Management	<u>1</u>	<u>1</u>
	<u>36</u>	<u>39</u>

One employee received employee benefits (excluding pension costs) exceeding £60,000 in the year (2019: 0)

The key management personnel of the Academy trust comprise the trustees and senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust for the year was £163,274 (2019: £149,249).

### **11. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. The Trust purchases this insurance via The Department for Education Risk Protection Arrangement Scheme and as such the cost of this insurance is included in the total insurance cost.

**Children's Academy Trust Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2020**

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset £	Total funds 2019 £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	7,224	-	17,190	24,414
<b>Charitable activities</b>				
Funding for the academy's educational operations	-	984,859	-	984,859
Other trading activities	86,470	-	-	86,470
Investment income	<u>192</u>	<u>-</u>	<u>-</u>	<u>192</u>
<b>Total</b>	<b>93,886</b>	<b>984,859</b>	<b>17,190</b>	<b>1,095,935</b>
 <b>EXPENDITURE ON</b>				
Raising funds	-	2,547	-	2,547
<b>Charitable activities</b>				
Academy's educational operations	<u>34,353</u>	<u>1,055,191</u>	<u>379,128</u>	<u>1,468,672</u>
<b>Total</b>	<u><b>34,353</b></u>	<u><b>1,057,738</b></u>	<u><b>379,128</b></u>	<u><b>1,471,219</b></u>
 <b>NET INCOME/(EXPENDITURE)</b>	<b>59,533</b>	<b>(72,879)</b>	<b>(361,938)</b>	<b>(375,284)</b>
 <b>Other recognised gains/(losses)</b>				
Actuarial gains/losses on defined benefit schemes	<u>-</u>	<u>(295,000)</u>	<u>-</u>	<u>(295,000)</u>
<b>Net movement in funds</b>	<b>59,533</b>	<b>(367,879)</b>	<b>(361,938)</b>	<b>(670,284)</b>
 <b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<u><b>118,759</b></u>	<u><b>(458,521)</b></u>	<u><b>2,184,656</b></u>	<u><b>1,844,894</b></u>
 <b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u><b>178,292</b></u></u>	<u><u><b>(826,400)</b></u></u>	<u><u><b>1,822,718</b></u></u>	<u><u><b>1,174,610</b></u></u>

**Children's Academy Trust Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2020**

**13. TANGIBLE FIXED ASSETS**

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Totals £
<b>COST</b>				
At 1 September 2019	1,932,930	39,141	25,214	1,997,285
Additions	-	5,000	2,741	7,741
At 31 August 2020	<u>1,932,930</u>	<u>44,141</u>	<u>27,955</u>	<u>2,005,026</u>
<b>DEPRECIATION</b>				
At 1 September 2019	152,371	31,327	22,176	205,874
Charge for year	37,519	2,952	3,039	43,510
At 31 August 2020	<u>189,890</u>	<u>34,279</u>	<u>25,215</u>	<u>249,384</u>
<b>NET BOOK VALUE</b>				
At 31 August 2020	<u>1,743,040</u>	<u>9,862</u>	<u>2,740</u>	<u>1,755,642</u>
At 31 August 2019	<u>1,780,559</u>	<u>7,814</u>	<u>3,038</u>	<u>1,791,411</u>

**14. STOCKS**

	2020 £	2019 £
Uniform	<u>2,103</u>	<u>1,637</u>

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Trade debtors	616	1,303
VAT	5,032	6,538
Prepayments and accrued income	<u>19,420</u>	<u>52,644</u>
	<u>25,068</u>	<u>60,485</u>

**Children's Academy Trust Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2020**

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Other creditors	1,284	-
Accruals and deferred income	<u>37,674</u>	<u>57,457</u>
	<u>38,958</u>	<u>57,457</u>

	2020 £	2019 £
<b>Deferred income</b>		
Deferred income as at 1 September 2019	48,440	47,437
Resources deferred during the year	29,154	48,440
Amounts released from previous years	<u>(48,440)</u>	<u>(47,437)</u>
Deferred income as at 31 August 2020	<u>29,154</u>	<u>48,440</u>

At the balance sheet date the academy trust was holding funds received in advance for trips booked for the autumn term 2020 amounting to £nil (2019: £13,858).

Also included within deferred income is £2,150 (2019: £2,167) rates relief, £6,385 (2019: £6,363) devolved formula capital, £20,619 (2019: £20,139) universal infant free school meals and £nil (2019: £5,913) SEN funding. This funding was received in advance in relation to periods post 31 August 2020 and will be spent after the accounting period end.

Other creditors of £1,284 relates to Salix monies due to the ESFA (at 0% interest rate).

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020 £	2019 £
Other creditors	<u>7,704</u>	<u>-</u>

Other creditors falling due after more than one year of £7,702 relates to Salix monies due to the ESFA (at 0% interest rate), of which £2,568 falls due in greater than 5 years.

**18. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020 £	2019 £
Within one year	372	372
Between one and five years	<u>248</u>	<u>620</u>
	<u>620</u>	<u>992</u>

**19. MEMBERS' LIABILITY**

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

Children's Academy Trust Limited

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2020

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

			Unrestricted fund	Restricted funds	Fixed Asset	Total Funds
			£	£	£	£
Fixed assets (cost)			-	1,755,642		1,755,642
Current assets			176,307	90,089	15,041	281,437
Current liabilities			(769)	(31,804)	(6,385)	(38,958)
Long term liabilities			-	(7,704)		(7,704)
Pension liability			-	(846,000)		(846,000)
			175,538	(795,419)		1,144,417
					1,764,298	1,144,417

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

			Unrestricted fund	Restricted funds	Fixed Asset	Total Funds
			£	£	£	£
Fixed assets			192,150	87,836	1,791,411	1,971,411
Current assets			192,150	87,836	37,670	317,656
Current liabilities			(13,858)	(37,236)	(6,363)	(57,457)
Pension liability			-	(877,000)		(877,000)
			178,292	(826,400)	1,822,718	1,174,610

21. MOVEMENT IN FUNDS

	Balance at 31 August 2019	Income	Expenditure	Gains/(Losses)	Balance at 31 August 2020
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant (GAG)	807,824	(807,824)			
Other DfE grant	50,000	137,868	(139,171)		48,697
Other restricted grants	600	4,000	(4,000)		600
Pension	(877,000)		(56,000)	87,000	(846,000)
	(826,400)	949,692	(1,006,995)	87,000	(796,703)
<b>Restricted fixed asset funds</b>					
Assets transferred on conversion	1,307,322	(29,663)			1,277,659
Other DfE Capital Grants	509,373	(3,911)	(24,846)		480,616
Other Capital Donations	6,023	-	-		6,023
	1,822,718	(3,911)	(54,509)	-	1,764,298
<b>Total restricted funds</b>	<b>996,318</b>	<b>945,781</b>	<b>(1,061,504)</b>	<b>87,000</b>	<b>967,595</b>
<b>Total unrestricted funds</b>	<b>178,292</b>	<b>70,133</b>	<b>(71,603)</b>	<b>-</b>	<b>176,822</b>
<b>Total funds</b>	<b>1,174,610</b>	<b>1,015,914</b>	<b>(1,133,107)</b>	<b>87,000</b>	<b>1,144,417</b>

# Children's Academy Trust Limited

## Notes to the Financial Statements - continued for the Year Ended 31 August 2020

### 21. MOVEMENT IN FUNDS - continued

ANALYSIS OF NET ASSETS BETWEEN FUNDS

Comparatives for movements in funds		Balance at 1 September		Income		Expenditure		Gains/(Losses)		Balance at 31 August	
2019	2018	2018	2019	2018	2019	2018	2019	2018	2018	2019	2019
£	£	£	£	£	£	£	£	£	£	£	£
<b>Restricted general funds</b>											
(839,135)	(839,135)	(839,135)	(839,135)	(839,135)	(839,135)	(839,135)	(839,135)	(839,135)	(839,135)	(839,135)	(839,135)
General Annual Grant	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)
(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Other DFE grant	-	-	-	-	-	-	-	-	-	-	-
Other restricted grants	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)
Pension	(509,000)	(509,000)	(509,000)	(509,000)	(509,000)	(509,000)	(509,000)	(509,000)	(509,000)	(509,000)	(509,000)
	(458,521)	(458,521)	(458,521)	(458,521)	(458,521)	(458,521)	(458,521)	(458,521)	(458,521)	(458,521)	(458,521)
<b>Restricted fixed asset funds</b>											
Assets transferred on conversion	1,340,567	1,340,567	1,340,567	1,340,567	1,340,567	1,340,567	1,340,567	1,340,567	1,340,567	1,340,567	1,340,567
Other DFE Capital Grants	835,573	835,573	835,573	835,573	835,573	835,573	835,573	835,573	835,573	835,573	835,573
Other Capital Donations	8,516	8,516	8,516	8,516	8,516	8,516	8,516	8,516	8,516	8,516	8,516
	2,184,656	2,184,656	2,184,656	2,184,656	2,184,656	2,184,656	2,184,656	2,184,656	2,184,656	2,184,656	2,184,656
	(379,128)	(379,128)	(379,128)	(379,128)	(379,128)	(379,128)	(379,128)	(379,128)	(379,128)	(379,128)	(379,128)
<b>Total restricted funds</b>	<b>1,726,135</b>	<b>1,726,135</b>	<b>1,726,135</b>	<b>1,726,135</b>	<b>1,726,135</b>	<b>1,726,135</b>	<b>1,726,135</b>	<b>1,726,135</b>	<b>1,726,135</b>	<b>1,726,135</b>	<b>1,726,135</b>
	1,002,049	1,002,049	1,002,049	1,002,049	1,002,049	1,002,049	1,002,049	1,002,049	1,002,049	1,002,049	1,002,049
<b>Total unrestricted funds</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>
	93,886	93,886	93,886	93,886	93,886	93,886	93,886	93,886	93,886	93,886	93,886
<b>Total funds</b>	<b>1,844,894</b>	<b>1,844,894</b>	<b>1,844,894</b>	<b>1,844,894</b>	<b>1,844,894</b>	<b>1,844,894</b>	<b>1,844,894</b>	<b>1,844,894</b>	<b>1,844,894</b>	<b>1,844,894</b>	<b>1,844,894</b>
	1,095,935	1,095,935	1,095,935	1,095,935	1,095,935	1,095,935	1,095,935	1,095,935	1,095,935	1,095,935	1,095,935
	(1,398,219)	(1,398,219)	(1,398,219)	(1,398,219)	(1,398,219)	(1,398,219)	(1,398,219)	(1,398,219)	(1,398,219)	(1,398,219)	(1,398,219)
	(368,000)	(368,000)	(368,000)	(368,000)	(368,000)	(368,000)	(368,000)	(368,000)	(368,000)	(368,000)	(368,000)
	1,174,610	1,174,610	1,174,610	1,174,610	1,174,610	1,174,610	1,174,610	1,174,610	1,174,610	1,174,610	1,174,610

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

1. Restricted general funds must be used for the normal running costs of the Academy in line with the Master Funding Agreement and restrictions from other sources of funding.

2. Restricted fixed asset funds are used solely for capital purposes in line with the strategic objectives of the Trust.

The restricted pension fund is in deficit to the value of £846,000 representing Anston Greenlands pension deficit as at 31 August 2020. £295,000 of this deficit was inherited upon conversion to Academy status in 2014 and this deficit has increased further as a result of actuarial losses since conversion. The Trustees will continue to monitor the deficit closely.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DFE Capital Grants	(2,846)	(2,846)	(2,846)	(2,846)	(2,846)	(2,846)	(2,846)	(2,846)	(2,846)	(2,846)	(2,846)
Other Capital Donations	-	-	-	-	-	-	-	-	-	-	-
<b>Total restricted funds</b>	<b>(2,846)</b>	<b>(2,846)</b>	<b>(2,846)</b>	<b>(2,846)</b>	<b>(2,846)</b>	<b>(2,846)</b>	<b>(2,846)</b>	<b>(2,846)</b>	<b>(2,846)</b>	<b>(2,846)</b>	<b>(2,846)</b>
<b>Total unrestricted funds</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>	<b>118,759</b>
<b>Total funds</b>	<b>1,174,610</b>	<b>1,174,610</b>	<b>1,174,610</b>	<b>1,174,610</b>	<b>1,174,610</b>	<b>1,174,610</b>	<b>1,174,610</b>	<b>1,174,610</b>	<b>1,174,610</b>	<b>1,174,610</b>	<b>1,174,610</b>



## Children's Academy Trust Limited

### Notes to the Financial Statements - continued for the Year Ended 31 August 2020

#### 22. 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 South Yorkshire Pensions Authority. Both are multi-employer defined benefit schemes.

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

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

#### **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 full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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

Not less than every 4 years, 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. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. 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. 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 employer's pension costs paid to TPS in the period amounted to £83,980 (2019 - £56,308).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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

#### **Local government pension scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £71,039 (2019 - £70,095), of which employer's contributions totalled £57,191 (2019 - £55,637) and employees' contributions totalled £13,848 (2019 £14,458). The agreed contribution rates for future years are 15% for employers and 5.5 to 12.5% for employees.

**Children's Academy Trust Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2020**

**22. PENSION AND SIMILAR OBLIGATIONS  
- continued**

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Present value of funded obligations	(1,726,000)	(1,699,000)
Fair value of plan assets	<u>880,000</u>	<u>822,000</u>
	<u>(846,000)</u>	<u>(877,000)</u>
Deficit	<u>(846,000)</u>	<u>(877,000)</u>
Liability	<u><u>(846,000)</u></u>	<u><u>(877,000)</u></u>

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

	Defined benefit pension plans	
	2020	2019
	£	£
Current service cost	95,000	74,000
Net interest from net defined benefit asset/liability	16,000	13,000
Past service cost	<u>-</u>	<u>41,000</u>
	<u>111,000</u>	<u>128,000</u>
Actual return on plan assets	<u><u>(4,000)</u></u>	<u><u>56,000</u></u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2020	2019
	£	£
Opening defined benefit obligation	1,699,000	1,219,000
Current service cost	95,000	74,000
Past service cost	-	41,000
Contributions by scheme participants	14,000	14,000
Interest cost	31,000	34,000
Actuarial losses/(gains)	(106,000)	330,000
Benefits paid	<u>(7,000)</u>	<u>(13,000)</u>
	<u><u>1,726,000</u></u>	<u><u>1,699,000</u></u>

# Children's Academy Trust Limited

## Notes to the Financial Statements - continued for the Year Ended 31 August 2020

### 22. PENSION AND SIMILAR OBLIGATIONS - continued

### 23. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	2020	2019	Defined benefit pension plans
	£	£	
Opening fair value of scheme assets	822,000	710,000	
Contributions by employer	56,000	56,000	
Contributions by scheme participants	14,000	14,000	
Expected return	15,000	21,000	
Actuarial gains/(losses)	(19,000)	35,000	
Benefits paid	(7,000)	(13,000)	
Administrative expenses	(1,000)	(1,000)	
	<u>880,000</u>	<u>822,000</u>	

	2020	2019	Defined benefit pension plans
	£	£	
The amounts recognised in other recognised gains and losses are as follows:			
Discount rate - 1 year increase	(3,000)	(3,000)	
Discount rate - 1 year decrease	(1,000)	(1,000)	
Actuarial gains/(losses)	<u>87,000</u>	<u>(295,000)</u>	
	<u>87,000</u>	<u>(295,000)</u>	

### 24. CAPITAL COMMITMENTS

The major categories of scheme assets as amounts of total scheme assets are as follows:

	2020	2019	Defined benefit pension plans
	£	£	
Equities	418,000	429,000	
Government bonds	129,000	118,000	
Corporate bonds	74,000	72,000	
Property	77,000	60,000	
Cash and other liquid assets	32,000	26,000	
Other	150,000	117,000	
	<u>880,000</u>	<u>822,000</u>	

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2020	2019
Discount rate	1.8%	1.8%
Future salary increases	3.55%	3.25%
Future pension increases	2.4%	2.1%
Inflation assumption	2.3%	2.0%

# Children's Academy Trust Limited

## Notes to the Financial Statements - continued for the Year Ended 31 August 2020

### 22. PENSION AND SIMILAR OBLIGATIONS - continued

### PENSION AND SIMILAR OBLIGATIONS - continued

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

	2020	2019
Retiring today		
Males	22.4	23.1
Females	25.2	25.9
Retiring in 20 years		
Males	23.9	25.3
Females	27.1	28.3
Sensitivity analysis		
Discount rate +0.1%	(37,000)	(41,000)
Discount rate -0.1%	37,000	41,000
Mortality assumption - 1 year increase	(39,000)	(31,000)
Mortality assumption - 1 year decrease	(39,000)	(31,000)
CPI rate +0.1%	50,000	43,000
CPI rate -0.1%	(50,000)	(43,000)

The amounts disclosed above are how much the scheme liabilities would increase/(decrease) for each stated assumption fluctuation.

### 23. CAPITAL COMMITMENTS

	2020	2019
Contracted but not provided for in the financial statements	-	9,584

### 24. RELATED PARTY DISCLOSURES

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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