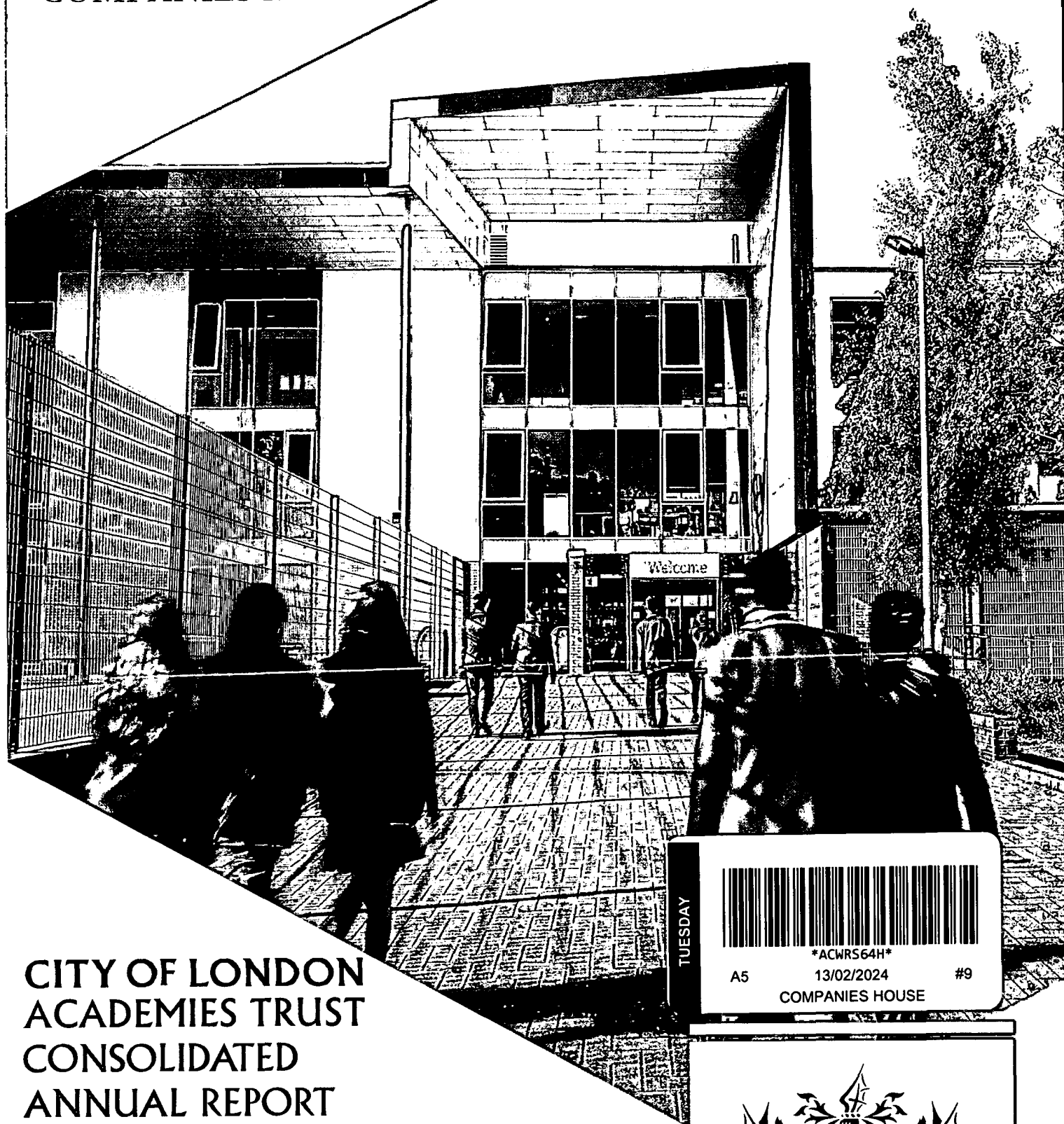


COMPANIES HOUSE



CITY OF LONDON ACADEMIES TRUST CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS

31 August 2023

Company Limited by Guarantee Registration
Number
04504128 (England and Wales)

TUESDAY



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13/02/2024

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COMPANIES HOUSE



CITY OF LONDON
ACADEMIES TRUST

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Legal and administrative information

Members	Mr T Broeke Ms C W Haines Deputy C Hayward Mr R Howard (until 20 October 2022) Mr N Sonpar (from 20 October 2022) Ian Thomas, CBE (from 1 February 2023)
Trustees (and Directors)	Mr J Banda Mr E Benzecry Mr R W Blackwell Mr T Broeke (Chair until 7 September 2022) Ms D Elliott Mr L Green Ms C W Haines Alderman R P S Howard Prof S Khan Ms C S McGuinness, CBE (Chair from 8 September 2022) Mr B D Murphy
Chief Executive Officer and Accounting Officer	Mr M Emmerson
Chief Financial Officer	Ms C N Hersey (until 9 June 2023)
Chief Financial & Operating Officer	Mr D Watherston (from 20 September 2023)
Chief Standards Officer	Ms C Verga (until 30 September 2023)
Acting Chief Standards Officer	Mr M Ismail (from 6 November 2023)
Senior Management Team	
Principal of City of London Academy Southwark	Mr M Baxter
Headteacher of Galleywall Primary School	Mr M Blain (from 1 September 2023)
Headteacher of Galleywall Primary School	Ms S Parbhu (until 31 August 2023)
Co-Headteachers of Redriff Primary School	Ms C Heath and Ms J James (until 31 August 2023)
Headteacher of Redriff Primary School	Ms J James (from 1 September 2023)
Principal of City of London Academy Shoreditch Park	Ms H Arles
Principal of City of London Academy Highgate Hill	Mr P Gennuh
Headteacher of City of London Primary Academy Islington	Ms K Clapham
Principal of City of London Academy Highbury Grove	Ms A Lyall
Acting Principal of Newham Collegiate Sixth Form Centre City of London Academy	Ms A Lomax (until 31 August 2023)
Principal of Newham Collegiate Sixth Form Centre City of London Academy	Ms A Lomax (from 1 September 2023)
Principal of The City Academy, Hackney	Ms A Sarchet
Principal of City of London Academy Islington	Ms S Jacob

Legal and administrative information

Registered office	Guildhall PO Box 270 Gresham Street London EC2P 2EJ
Company registration number	04504128 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Moorgate Branch PO Box 712 94 Moorgate London EC2M 6UR Lloyds Bank plc 25 Camberwell Green London SE5 7AB
Solicitors	Bates Wells 10 Queen Street Place London, EC4R 1BE Comptroller & City Solicitor City of London Corporation PO Box 270 Gresham Street London EC2P 2EJ Bevan Brittan Fleet Place House 2 Fleet Place London EC4M 7RF

Trustees' report (including strategic report) 31 August 2023

TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)

The Trustees present their annual report together with the financial statements and auditor's report of the City of London Academies Trust ('the charitable company' or 'the Trust') and the group for the year to 31 August 2023. The annual report serves the purposes of both a Trustees' report under charity law and a Directors' report and strategic report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages [42 to 52] therein and comply with the Trust's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

PRINCIPAL ACTIVITIES

The principal activity of the Trust is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, operating and developing schools offering a broad, balanced and challenging curriculum.

During the year the Trust operated ten academies across inner London:

- City of London Academy Southwark, a secondary academy with sixth-form provision;
- Redriff Primary School, a two-form entry primary academy in Southwark;
- Galleywall Primary School, a two-form entry primary academy in Southwark;
- City of London Academy Shoreditch Park, a secondary academy with sixth-form provision in Hackney which opened in September 2017 and had students in Years 7, 8, 9, 10, 11 and 12 in 2022-23;
- City of London Primary Academy Islington, a two-form entry primary academy which opened in September 2017 and had children in Reception and Years 1, 2, 3, 4 and 5 in 2022-23;
- City of London Academy Highgate Hill, a secondary academy with sixth-form provision in Islington. This was formerly Mount Carmel Catholic College for Girls, a maintained secondary school which closed on 31 August 2017 and reopened as a new academy for boys and girls on 1 September 2017, with students in Years 7, 8, 9, 10, 11 and 12 in 2022-23;
- City of London Academy Highbury Grove, a secondary academy with sixth-form provision in Islington;
- Newham Collegiate Sixth Form Centre, City of London Academy, a 16-19 academy in Newham;
- City of London Academy Islington, a secondary school with sixth-form provision; and
- The City Academy, Hackney, a secondary school with sixth-form provision.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity regulated by the ESFA.

The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The Trustees are also the Directors of the charitable company for the purposes of company law. The charitable company is known as City of London Academies Trust.

Trustees' report (including strategic report) 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Constitution (continued)

The City of London Corporation is the Sponsor of the Trust, and this relationship is described in the Sponsor Agreement between the Trust and Sponsor.

Details of the Trustees who served throughout the year and to the date of approval of this report are included in the Legal and Administrative Details on page 1.

Members' Liability

The members of the Trust shall comprise:

- The Sponsor;
- Up to four persons appointed by the Sponsor;
- Any such additional members that the Sponsor thinks fit.

The members of the Trust are listed on page 1. The members undertake to contribute to the assets of the Trust in the event of it being wound up while they are a member, or within one year after they ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceases to be a member.

Trustees Indemnities

Trustees benefit from indemnity insurance purchased at the Trust's expense, through the Risk Protection Arrangement, to cover liability of Trustees by virtue of any rule of law that would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust.

Method of recruitment and appointment or election of Trustees

The Trustees of the charitable company shall comprise:

- Up to six persons appointed by the Sponsor;
- The Chief Executive Officer (CEO), if appointed as such by the charitable company members; and
- A minimum of two Parent Trustees if no Local Governing Bodies are formed or provision made for at least two Parent Trustees on each established Local Governing Body.

The Trust may appoint co-opted Trustees provided Sponsor Trustees remain a majority on the Board.

The term of office is four years. Trustees shall cease to hold office if removed by the person or persons who appointed them, or otherwise by an ordinary resolution of members in accordance with the Companies Act 2006.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided to new Trustees will depend on their existing experience. All Trustees are provided with copies of policies, procedures, minutes, financial accounts, budget plans and other documents that they will need to undertake their role as Trustees. A Trust Governors' Handbook is issued, providing a helpful overview of the Trust, with links to other useful resources for Trustees and school governors.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and procedures adopted for the induction and training of Trustees (continued)

Training and development is targeted at Trustees of the Trust Board as well as Governors appointed to the Local Governing Bodies of the individual academies. The City of London Corporation runs comprehensive training programmes, which include the following:

- Managing and Interpreting Data;
- Safeguarding;
- Financial Management; and
- Statutory Updates.

Governors of individual academies may also attend training provided locally, e.g. by the relevant local authority, which is tailored to the needs of their particular academy.

Organisational structure

The Trustees establish the overall framework for the governance of the Trust in accordance with the terms and spirit of the Sponsorship Agreement and the company's articles of association. A Trust Scheme of Delegation is in place (which is reviewed regularly by both the Sponsor and the Board of Trustees) which sets out the delegation of responsibility and authority across the Sponsor, the Board of Trustees, the Chief Executive Officer (CEO) (who is also the Accounting Officer) and the Local Governing Bodies of each academy. This Scheme of Delegation is available on the Trust's website.

The Sponsor's interests in terms of the Scheme of Delegation are represented by the City of London Corporation Education Board. The Sponsor's interests are further represented by the Trustees it appoints to the Board of Trustees.

Each academy is required to establish a Local Governing Body (LGB). The LGB fulfils much the same role as the Trust Board of a standalone academy in terms of monitoring the day-to-day operations of the academy and holding the Principal/Headteacher to account. Each LGB may choose to establish its own subcommittees, each with a particular focus e.g. finance and resources, curriculum, standards and achievement.

The three Southwark academies (City of London Academy Southwark, Redriff Primary School and Galleywall Primary School) operate a joint 'Southwark Hub' LGB to monitor the operations of all three academies and promote collaboration, sharing and optimisation of talent and resources across these three academies.

During the year, there were five sub-committees of the main Trust Board; the Finance and Operations Committee, the Audit and Risk Committee, the Standards and Accountability Committee, the Remuneration Committee, and the People, Equalities and Inclusion Committee. Details of these five Committees are included within the Governance Statement.

City of London Academy Southwark Lettings Limited (Company Registration Number 08178432) is a wholly owned subsidiary of the Trust. Its principal activity is to manage the lettings of sports and other facilities at City of London Academy Southwark, and other academies within the Trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the Trust comprise the Trustees and the Senior Management Team as listed on page 1. None of the Trustees of the Trust receive any remuneration for their services as Trustees.

The performance management and remuneration of the CEO is undertaken by the Remuneration Committee with support from an external professional adviser and oversight by the Board of Trustees. The remuneration of other staff in the Trust's central team is delegated to the CEO, with oversight by the Remuneration Committee, and further delegated to senior post holders, and made in accordance with the Trust's pay policy, pay scales and performance management and appraisal policy.

The performance management and remuneration of the Principal/Headteacher of each academy is undertaken by the appropriate Chair of the Local Governing Body and the CEO, with oversight by the Remuneration Committee, and in accordance with the Trust's pay policy, pay scales and performance management and appraisal policy. The pay of academy leaders is based on the size and nature of their academy. These salaries are based on an appropriate range.

Other senior leaders within each of the schools are remunerated in accordance with the Trust's performance management process and approved pay and performance management and appraisal policies.

Trade union facility time

In accordance with the provisions of the Trade Union (Facility Time Publication Requirements) Regulation 2017, the following information has been provided in respect of Trust employees involved in trade union facility time activity for the period 1 April 2022 to 31 March 2023.

Relevant union officials

Number of employees who were relevant union officials during the period	Full-time equivalent employee number
11	10.69

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1-50%	7
51-99%	0
100%	0

Trustees' report (including strategic report) 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trade union facility time (continued)

Percentage of pay bill spent on facility time

Total cost of facility time	£15,389.25
Total pay bill	£52,595,290.94
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.03%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	75.42%
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Related parties and other connected charities and organisations

City of London Academy Southwark Lettings Limited (Company Registration Number 08178432) was incorporated on 14 August 2012 and began trading on 1 September 2012. It is a wholly owned subsidiary of the Trust. Its principal activity is to manage the lettings of sports and other facilities at City of London Academy Southwark and other academies within the Trust.

The City of London Corporation is the Sponsor of the Trust. As described above the relationship with the Sponsor is defined by the Articles of Association, the Sponsor Agreement and the Scheme of Delegation and the Sponsor's role includes the appointment of Members and Trustees. Transactions with the City of London Corporation during the year are described in Note 23 to the financial statements.

The Trust also works collaboratively with the wider family of City of London schools which include:

- The Aldgate School;
- City Junior School;
- City of London School for Girls;
- City of London School; and
- City of London Freeman's School.

There are regular meetings and training sessions to which all the schools are invited so that skills, knowledge, best practice and experience can be shared.

Trustees' report (including strategic report) 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Engagement with employees (including disabled persons)

The Trustees and Senior Management Team have actively sought to introduce, maintain or develop arrangements aimed at:

- providing employees with information on matters of concern to them
- consulting employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests
- encouraging the involvement of employees in the charitable company's performance
- achieving a common awareness on the part of all employees of the factors affecting the performance of the charitable company.

Examples include:

- Programmes of professional training and inset days in each academy
- The Trust CEO and Human Resources Director meet regularly with trade unions under the Trust's Trade Union Recognition Agreement
- A virtual all-staff conference was held in September 2022
- A Heads' conference was held in June 2023
- Regular staff meetings are held in each academy
- A half-termly HR Newsletter from the Trust HR Director is shared with all the academies
- Weekly email bulletin from the CEO to all principals/headteachers, Trustees and Local Governing Body Chairs
- The Trust undertook a full staff survey in July 2023

Equal opportunities

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued. In 2021-22 the Trust established a new subcommittee of the main Trust Board, being the People, Equality and Inclusion Committee.

Disabled persons

City of London Academies Trust is committed to providing equal opportunities for all and welcomes applications for:

- employment from those with a disability; and
- places from pupils with disabilities.

The Trust's recruitment process ensures that applicants for posts are shortlisted on the basis of how their qualifications and experience match the specification for the job. The Trust recognises that some disabled people will need adjustments to be made in order for them to do the job. The Trust will look at what changes could be made to the workplace or to the way work is done and make any changes that are reasonable. If an employee develops a disability, the Trust will make every effort to retain their services

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Engagement with employees (including disabled persons) (continued)

Disabled persons (continued)

by making reasonable adjustments to the workplace, the methods of working or if by finding another suitable role for them where appropriate.

When decisions are made about an individual, the only personal characteristics or circumstances taken into account will be those which are necessary for the proper performance of the work involved. As part of the performance management process, disabled employees will be given the opportunity to discuss what can be done to develop and use their abilities.

Disabled pupils applying for a place at a Trust school will undergo the standard admissions procedure; offers of a place will be made on the basis laid down in the Admissions Policy and Procedures for each academy.

The needs of the disabled pupils and employees have been considered in the design of the Trust's school buildings and in the equipment purchased for teaching and learning. When planning educational and other activities outside the school day, staff organising the events will carefully consider the types of activity and the adjustments that can be made so that disabled colleagues and pupils can take part fully.

The staff, Trustees and Governors will regularly review the provision it makes for disabled staff and pupils and strive to continually improve the facilities available.

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

The Trustees and Senior Management Team have actively sought to foster relationships with key stakeholders throughout the 2022-23 academic and financial year.

The Trust's most important relationship is with all the pupils and students in each of our academies, and with their parents/carers, and this is explored further below under Objectives and Activities.

Other key stakeholders include:

- *Suppliers*

The Trust seeks to work with reliable suppliers and the Trust reports its Payment Practices every six months.

- *DfE/ESFA*

The Trust has submitted the required financial and non-financial returns to the ESFA during the year. The Trust CEO has also worked as a Behaviour Adviser with the DfE during the year.

- *Local Authorities*

Relationships between academy leaders and the CEO, and senior officers in each Local Authority are essential for each academy to work successfully with each Local Authority to best meet the needs of the pupils and students in the academies.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Engagement with suppliers, customers and others in a business relationship with the Trust (continued)

- *Sponsor*

The Trust has a formal working relationship with the Sponsor, as described in the Sponsor Agreement and the Scheme of Delegation, and this is supported by more informal daily working relationships between the MAT central team and the City of London Corporation's Education team.

OBJECTIVES AND ACTIVITIES

Objects and aims

The City of London Academies Trust aims to provide a high-quality education for all its students. The Trust aims for all schools to be recognised as outstanding within three years of joining the Trust.

City of London Academies draw upon the best traditions, institutions, heritage and historical successes of the City of London Corporation and London itself. The Trust seeks to deliver life-transforming learning experiences allowing all pupils, whatever their background, to develop into successful, compassionate young adults, who make a positive contribution to their local, national and global communities.

The City of London, its schools and academies are characterised by:

- High expectations, aspirations, excellence and a belief that all can succeed;
- Combining creativity, innovation and enterprise, alongside tradition and continuity; and
- Developing people who are confident, resilient, compassionate and democratic.

City of London Academies Trust Foundations of Excellence

Although all schools within the Trust are different, they all subscribe to the same ethos. All City of London academies in the Trust are expected to exhibit the five attributes of outstanding educational provision. These simple and effective principles are the essential drivers that deliver outstanding outcomes for learners and are key to the success of the Academies. They are:

High expectation leadership	Dynamic and skilled leadership from school leaders and governors founded in the core belief that all children can succeed.
Exemplary behaviour	Behaviour for learning based on a set of defined core values that promote engagement, respect, tolerance, probity, curiosity, resilience, creativity, and independence.
Outstanding creative teaching	Highly skilled teaching that inspires, engages, supports, and challenges learners whatever their starting point.
Assessment that informs intervention	Target-setting and assessment systems that set challenging targets and provide data that supports intervention if that progress is not being made.
A challenging curriculum	A formal curriculum that matches the high expectations of progress providing a range of high-status qualifications for each learner. A rich informal curriculum that supports the wider development of each learner through personal, sporting, creative, and employer related experiences.

Trustees' report (including strategic report) 31 August 2023

OBJECTIVES AND ACTIVITIES (continued)

Objects and aims (continued)

City of London Academies Trust Foundations of Excellence (continued)

The success of the Trust will be judged by excellence in examination results, standards of behaviour, sporting and creative achievement as well as the politeness, self-discipline, and the compassion of its students. It is important to the Trust that students enjoy learning and feel safe and happy at school and are enabled to develop their confidence, independence, and self-awareness required for their future success and well-being. Students will be taught in an environment that promotes academic, creative, sporting, linguistic, and personal achievement: this is 'the City experience'.

Objectives, Strategies and Activities

During the year the Trust operated ten academies across inner London:

During the year the Trust operated ten academies across inner London, a brief description of each can be found on page 3 under the principal activities section.

More than half of the pupils at the Trusts secondary schools are recorded as having been eligible for free school meals at any time during the prior 6 years (pupil premium), with each secondary having at least double the national average portion of learners in this category. The percentages as at the last two census dates were:

	October 2022	October 2021
City of London Academy Southwark	52.1%	51.3%
Redriff Primary School	23.7%	25.7%
Galleywall Primary School	45.8%	45.7%
City of London Academy Shoreditch Park	59.7%	58.2%
City of London Primary Academy Islington	22.3%	22.9%
City of London Academy Highgate Hill	58.2%	57.7%
City of London Academy Highbury Grove	57.6%	55.4%
The City Academy, Hackney	54.5%	57.3%
City of London Academy Islington	58.8%	58.0%
National average	26.9%	26.6%

City of London Academy Southwark (COLAS) is a large over-subscribed secondary academy (PAN (Published Admission Number) of 240) with a well-established sixth form operating from a purpose-built sixth-form facility located near the main school site which offers extensive classroom, study and IT facilities to support the school's growing sixth-form student population. The school offers a wide range of extra-curricular activities with a very successful Basketball Academy leading to several students securing places at US universities on basketball scholarships. The female basketball team won five national trophies last season. The school is now looking to embark on an ambitious basketball academy building and are exploring capital funding opportunities. At its most recent Ofsted inspection in November 2021 the academy was judged to be Good in all areas.

Redriff Primary School is an over-subscribed two-form entry school which also has a nursery class with 50 full-time places. Nursery and Reception classes have their own separate, well equipped outdoor play area. Redriff has a specialist Autism Resource Base, and the school has an Autism Accreditation awarded by the National Autistic Society. Redriff is also the lead school for the London and Southeast Maths Hub and works closely with the London South Teaching School Hub. This school has not been inspected by Ofsted since 2011 and holds an Outstanding rating.

Trustees' report (including strategic report) 31 August 2023

OBJECTIVES AND ACTIVITIES (continued)

Objectives, Strategies and Activities (continued)

Galleywall Primary School is a two-form entry school which occupies the original Galleywall School site, a grand Victorian building in Southwark which has been subject to an extensive refurbishment completed in 2019. In May 2019 the academy had its first full Ofsted inspection since re-opening as part of the Trust and was judged to be Outstanding.

City of London Academy Shoreditch Park (COLASP) is a new secondary academy with the fifth Year 7 cohort joining in September 2021. The school moved from temporary premises to its brand-new permanent site near Shoreditch Park in Hackney in June 2021, with the 125-year lease being signed in January 2022. In November 2019 the academy had its first full Ofsted inspection since opening and was judged to be Good with outstanding behaviour.

City of London Primary Academy Islington (COLPAI) moved from temporary premises to its brand-new permanent site on the border of Islington and the City of London in August 2021. Shortly after the year end, the school saw the completion of its Multi-Use Games Area which now enables the pupils to enjoy this much needed outdoor play space. In November 2019 the academy had its first full Ofsted inspection since opening and was judged to be Outstanding.

City of London Academy Highbury Grove (COLAHG) occupies a site which was built and continues to be managed under a PFI agreement. The site is shared with Samuel Rhodes School (an Islington special school) who share COLAHG facilities including the dining hall, the swimming pool and the sixth form centre. COLAHG has a strong focus on music and is the founding school of the Music in Secondary Schools Trust (MiSST), a charity which receives funding from the Andrew Lloyd Webber Foundation and gives it to schools like COLAHG so that every student can learn to play a musical instrument for free. In April 2022 COLAHG was inspected by Ofsted for the first time as an academy after joining the Trust in 2017, and was judged to be Good in all areas.

City of London Academy Highgate Hill (COLAHH) has a PAN of 140. The school occupies a site in north Islington comprising a mixture of Victorian, Edwardian and mid twentieth century buildings which were all subject to extensive refurbishment in 2012-13 as part of the Buildings Schools for the Future programme. COLAHH also has a strong focus on music and is part of the MiSST programme. The academy is undergoing construction on the on-site expansion for the new sixth-form, which is due for completion in early 2024. The school is currently graded Requires Improvement by Ofsted from a visit in January 2022.

Newham Collegiate Sixth Form Centre (NCS) is a Sixth Form that caters for high-achieving students in East London and offers A-level education with a Super Curriculum and various other opportunities. NCS has an ALPS grade of 1 placing it in the top 1% of all UK schools. The academy occupies three buildings on a shared campus in East Ham. The Edwardian buildings are Grade II listed and two have been fully refurbished to provide high quality specialist teaching. NCS runs an Elite University Preparation Programme which supports students in applying for prestigious UK and US universities.

The vast majority of students receive offers to study at Russell Group universities. In addition NCS students regularly receive fully funded places at US Ivy league universities and places on high profile degree apprenticeships from companies such as KPMG, PWC and Dyson. NCS also works in strategic partnership with UCL to offer opportunities to students and professional development for staff. In October 2021 the academy had its first full Ofsted inspection since opening and was judged to be Outstanding.

Trustees' report (including strategic report) 31 August 2023

OBJECTIVES AND ACTIVITIES (continued)

Objectives, Strategies and Activities (continued)

City of London Academy Islington (COLAI) is an over-subscribed secondary academy with a PAN of 165 and a sixth form. The school occupies a purpose-built site which is shared with Richard Cloudesley School (an Islington special school). The school is proud of its Combined Cadet Force (CCF), open to Years 9-13, which offers enrichment activities through the Army Cadet training syllabus. At its most recent Ofsted inspection in November 2019 the academy was judged to be Outstanding.

The City Academy, Hackney (TCAH) is an over-subscribed secondary academy with a PAN of 190 and a large sixth form. The school occupies a purpose-built site in Homerton, Hackney. At its most recent Ofsted inspection in March 2023 the academy was judged to be Good with outstanding Sixth Form provision.

The most recent Ofsted inspection gradings for each academy are as follows, with four of the academies inspected during 2021-22 and The City Academy Hackney inspected during 2022-23:

City of London Academy Southwark	Good (November 2021)
Redriff Primary	Outstanding (October 2011)
Galleywall Primary	Outstanding (May 2019)
City of London Academy Shoreditch Park	Good with Outstanding behaviour (November 2019)
City of London Primary Academy Islington	Outstanding (November 2019)
City of London Academy Highbury Grove	Good (April 2022)
City of London Primary Academy Highgate Hill	Requires Improvement (January 2022)
Newham Collegiate Sixth Form	Outstanding (October 2021)
City of London Academy Islington	Outstanding (March 2019)
The City Academy Hackney	Good with Outstanding Sixth Form provision (March 2023)

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 or duties. When setting the objectives of the Trust for the year, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit, and in particular to its supplementary guidance on advancing education. The Trustees have delegated the setting of operational objectives to the LGBs in each individual academy.

Key objectives are:

- to raise the standard of educational achievement of all pupils;
- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- to improve the effectiveness of each academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements; and
- to conduct its business in accordance with the highest standards of integrity, probity and openness.

The Trust schools continue to grow and develop strong and effective local community links that support student achievement.

Trustees' report (including strategic report) 31 August 2023

ACHIEVEMENTS AND PERFORMANCE

During 2022-23 Trust returned to 'routine' operations particularly in relation to the re-instatement of standardised testing and examinations in line with 2019 standards

- This meant there was a sharper focus in all schools on improving attendance and reducing persistent absence.
- Preparing pupils for external testing and examinations which included for this cohort of children addressing some significant gaps in learning.
- Re-establishing the high expectation cultures of our schools and as a result improving the behaviour and engagement of young people.

Key Performance Indicators

A level results

Despite a significant national drop in A level outcomes by approximately 7% at A*-C between 2022 and 2023 nationally our sixth forms all performed better than their 2019 outcomes and on average at 5% above the national average at 80+% compared to 75%

A-Level	% pass rate		% A*-C		%A*-B		%A*-A	
	2023	2022	2023	2022	2023	2022	2023	2022
City of London Academy Southwark	90	94	73	79	47	54	18	21
City of London Academy Highbury Grove	84	99	60	80	34	56	14	21
City of London Academy Islington	63	100	85	85	51	56	15	23
The City Academy Hackney	96	100	85	83	56	61	22	27
Newham Collegiate Sixth Form Centre	98	100	99	99	94	97	76	78

GCSE results

Across the Trust, 54% (2021-22 53%) of students achieved grade 5 in both English and Maths (National average 45%). The progress score is -0.01, above the national average which stands at -0.03. This is a positive improvement from -0.20 in 2019.

Across the Trust, 72% of students achieved grade 4 and above in both English and Maths (2021-22 69%), with 53% (2021-22 47%) achieving grade 5 and above in both English and Maths. The provisional progress score is above the national average at -0.02, increasing from -0.20 in 2019 when standard examinations were last taken.

GCSE	% grade 4 and above in both English and Maths		% grade 5 and above in both English and Maths	
	2023	2022	2023	2022
City of London Academy Highbury Grove	48	62	32	41
City of London Academy Highgate Hill	61	63	39	36
City of London Academy Southwark	79	74	57	59
City of London Academy Islington	68	72	48	53
The City Academy Hackney	72	74	55	56
City of London Academy Shoreditch Park	76	88	55	71

Trustees' report (including strategic report) 31 August 2023

ACHIEVEMENTS AND PERFORMANCE (continued)

Key Performance Indicators (continued)

Primary Results

Key Stage 2

The 2023 Key Stage 2 results across both schools were significantly above national averages for students achieving expected outcome. The national average being 59% compared to 73% at Redriff and 69% at Galleywall. Galleywall was slightly above and Redriff well above the combined national average at greater depth which stood at 8% in 2023.

Key Stage 1 and EYFS

	Combined Reading, Writing and Mathematics			
	% Expected level		% Greater depth	
	2023	2022	2023	2022
Redriff Primary	73	78	19	25
Galleywall Primary	69	NA	9	NA
City of London Primary Academy Islington	NA	NA	NA	NA

	% Pass Phonics			
	Year 1		Year 2	
	2023	2022	2023	2022
Redriff Primary	86	80	96	97
Galleywall Primary	84	84	92	88
City of London Primary Academy Islington	94	93	60	97

	EYFS % Good Level of Development	
	2023	2022
Redriff Primary	73	74
Galleywall Primary	70	75
City of London Primary Academy Islington	85	71

FINANCIAL REVIEW

In 2022-23 the Trust saw further growth with the additional students due to the more recently opened academies continuing to build towards capacity since they opened. From the academic year 2023-24 onwards each of the academies in the Trust will have been open long enough to have learners in all year groups. This growth is reflected in the financial statements in the year with the growth increase in grant income. When taking on extra year groups during 2022-23, additional teachers were recruited, however the support staff structures were already largely in place, and as such limited additional support staff were required, thus the staffing levels overall across the trust did not need to increase proportionally with learners, and as such this growth has contributed to economies of scale. Furthermore, the trust received increased funding from the ESFA in the form of the school supplementary grant and the mainstream school additional grant, which helped to cover the in-year pay awards and other inflationary increases during the year.

The consolidated revenue surplus for the year is £2.3m (2022 - £0.8m) excluding the movements on the pension liability and fixed assets.

Trustees' report (including strategic report) 31 August 2023

FINANCIAL REVIEW (continued)

Income

The Trust's total income for the year ended 31 August 2023 amounted to £80.3m (2022 - £73.4m) of which £70.0m (87.2%) related to DfE/ESFA revenue grants (2022 - £63.6m (86.6%)). This growth in ESFA revenue grant income has mainly arisen from the continued growth in pupil numbers at the newer academies (Galleywall Primary School, COLAHH, COLASP and COLPAI). Additionally other ESFA funding increased in the form of a full year of the school supplementary grant (£1.8m compared to £0.6m in 2022) and the new mainstream school additional grant of £0.3m (2022 £nil).

During the year the Trust received £1.4m (2022 £1.1m) of additional COVID-related funding from the ESFA. £0.9m (2022 £0.4m) of this ESFA funding was Recovery Premium, while the bulk of the remainder was for providing additional tuition for pupils via the National Tutoring Program and the 16-19 Tuition Fund.

The Trust continued to receive significant financial support from its sponsor (the City of London Corporation), with £2.1m (2022 £1.6m) received in grants and donations during the year.

Expenditure

Total expenditure (excluding depreciation, amortisation and notional LGPS pension costs) in the year was £76.1m rising from £70.4m in 2022.

Total staff costs (excluding notional LGPS pension costs) have increased from £53.5m to £57.5m. This £4.0m increase in staff costs accounts for around two thirds of the total increase in expenditure in the year, with the bulk of the remaining increase in costs being premises, including utilities cost inflation. Staff costs as a percentage of total costs (excluding depreciation and amortisation) has remained fairly constant at 76% for 2022-23 compared to 77% in 2021-22. Staff costs have mainly increased due to continued recruitment at the newer academies in line with the growth in pupil numbers, pay rises and pay progression across the Trust, with the impact of these partially offset by vacancies experienced during the year due to recruitment challenges in the sector, particularly for support staff.

Premises costs (excluding depreciation) have increased from £6.5m to £7.9m. This reflects more schools joining the Trust's outsourced facilities management contract (thus costs which were previously in staffing, is now externalised), and also the impact of increased energy costs due to the global energy crisis.

Fixed Assets

The Trust's capital investment in the year amounted to £2.1m (2022 - £1.7m) which was primarily estate management improvements funded by the School Condition Allocation.

Cash

The Trust had cash balances at the year-end of £17.6m (2022 - £17.6m). The trust is exploring opportunities to generate a return on this cash balance via interest bearing accounts with its banking partners.

Pension liabilities

The Local Government Pension Scheme (LGPS) Liability has significantly decreased in the year by £3.4m to just £0.7m, this continues the trend from last year. The rates being used to discount the liabilities in each of the schemes have risen substantially, meaning the overall liability position has reduced.

FINANCIAL REVIEW (continued)

Reserves policy

In general, it is considered prudent to maintain a level of useable reserves sufficient to cover unexpected and unplanned events. At the same time, the Trust wishes to ensure that funding is used actively to benefit the students in each of the academies and so use available reserves to enhance educational provision.

The Trustees have determined that the appropriate level of desired free reserves for the whole Trust should be equivalent to two months' operational expenditure (excluding the fixed assets fund) where possible, with the Trust aiming for a minimum required level equivalent to one month's operational expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants.

The Trust held consolidated fund balances at 31 August 2023 of £183.4m (2022 £182.0m) comprising £8.5m (2022 £7.4m) of unrestricted general funds and £175.0m (2022 £174.7m) of restricted funds which includes the fixed asset fund of £173.6m (2022 £178.1m), the pension reserve deficit £0.7m (2022 deficit £4.2m) and a general restricted fund of £2.1m (2022 £0.8m). This general restricted fund together with unrestricted funds totals £10.5m (2022 £8.1m). One months' worth of expenditure (excluding depreciation) is estimated to be £6.4m and so the Trust's current level of revenue reserves therefore meets this minimum required level.

The Trusts larger and more established secondary schools contribute the bulk of the reserves across the Trust, with City of London Academy Southwark, The City Academy Hackney, and City of London Academy Islington together accounting for 80% of the revenue reserve. The Primary schools in the trust typically find it more difficult to build reserves, lacking the scale of the secondaries, and with higher support costs and lower income per pupil, this can be more of a challenge. The Trust is reviewing how the primaries can better leverage the scale of the wider Trust to grow reserves.

The Trust grew from three to eight schools in 2017-18 but some of these new schools have not yet had the opportunity to build up reserves as at 31 August 2023 to cover one months' worth of their expenditure. Galleywall, which opened in September 2016, has a deficit reserves position of £115,000 (2022 £96,000), having invested early in teaching staff and leadership before the school was full.

The deficit reserves position at COLAHG of £1.4m (2022 £1.5m) continues to put pressure on the Trust. However, the school has undertaken detailed reviews of curriculum planning and staffing to identify and implement efficiencies and has improved financial and budgetary controls.

Investment policy

The stated objectives in the Trust's current Investment Policy are:

- To achieve best financial return available whilst ensuring that security of deposits takes precedence over revenue maximisation.
- To only invest funds surplus to operational need based on all financial commitments being met without any of the Trust's bank accounts becoming overdrawn.

By complying with this policy, all investment decisions should be exercised with care and skill and consequently be in the best interests of the Trust, commanding broad public support.

Trustees' report (including strategic report) 31 August 2023

FINANCIAL REVIEW (continued)

Investment policy (continued)

Each academy will make its own investment decisions in accordance with:

- The Trust Scheme of Delegation;
- The requirements of the Trust Investment Policy;
- The Trust Finance Policy and Procurement and Tendering Policy; and
- The terms of reference of the academy's Local Governing Body and its subcommittees.

Investment risk will be managed through asset class selection and diversification to ensure that security of deposits takes precedence over revenue maximisation. The Trust's policy is to invest funds in risk-free and immediately accessible deposit accounts with the Trust's banking provider. If sufficient reserves are available an Academy may seek to invest in other low-risk accounts subject to approval by the Trust's Finance and Operations Committee. Investments for a fixed term should not normally exceed one year in order to provide flexibility for the following year's plans, unless a clear rationale is provided for exceeding one year to the benefit of the Academy and the Trust.

Going concern

The Trustees have considered the detailed budgets for the next three years for each of the ten academies and the Trust as a whole, to understand how the academies plan to manage increasing cost pressures (e.g. salary costs, pension costs, energy costs, and general high inflation) against a backdrop of uncertainty around future funding for schools. After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the success of the Trust

The Trustees are mindful that they must act in a way most likely to promote the success of each of the academies and the Trust as a whole, and in doing so must have regard to:

- the likely consequences of any decision in the long term;
- the interests of the Trust's employees;
- the need to foster the Trust's relationships with key stakeholders;
- the impact of the Trust's operations on the community and the environment; and
- maintaining a reputation for high standards.

Each of these considerations are addressed in the narrative within this Trustees' Report and in the Governance Statement.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has a risk management process in place to assess strategic risks and implement appropriate risk management strategies. This has involved identifying the key risks the whole Trust faces, scoring and prioritising them in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks, then considering the costs of operating particular controls relative to the benefit obtained.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

The Trust's main risks are:

- ***Child protection and safeguarding failings.*** The Trust has a number of systems, policies, training, procedures and controls, as well as designated responsible persons, qualified in their area of expertise, to help ensure it complies with legislative requirements. These specifically cover the areas including education law and child protection legislation. Each Academy can also seek legal advice where appropriate and/or obtain other expert advice and services from the relevant local authority team or other specialist children's services in the borough.
- ***Maintaining standards - Trust does not achieve planned educational outcomes and exam performance in one or more of its academies, or receives a negative Ofsted inspection report.*** To mitigate this risk there is a continued focus on securing 4 levels of progress from KS 2 to 4 for all pupils in all year groups. The Trust has a full-time Chief Standards Officer, supported by part-time specialists, and she and the CEO are uncompromising in high expectations of students in all Academies and manages a programme of scrutiny and impact meetings across all schools. There is also a strong drive through CPD (continuing professional development) to ensure outstanding teaching. Investment in data systems / reporting requirements with accountability has been made to ensure that any downturn is flagged, and corrective action is taken promptly. Regular reports to the LGB Committees and to the Trust Standards and Accountability Committee will provide early warning of any issues and enable under-performance to be addressed.
- ***Failure to attract and retain students due to high pupil mobility and surplus school places in London, leading to loss of income, suboptimal use of resources and adverse implications for budgets.*** Marketing strategies are in place to maximise student recruitment and retention (and therefore income). Outstanding / Strong Good Ofsted reports within the Trust, strong exam results, links with the Corporation of London and behaviour of students inside and out of school all enhance the Trust's reputation and attractiveness of schools.
- ***Financial risks including reductions in funding, increasing pay rises and employment costs, rising energy costs and general inflation, poor budgetary control, weak financial controls, poor financial planning or fraud.*** The Trust continually seeks opportunities for group procurement and shared services across the Trust to make savings. To ensure rigorous financial management across the Trust there is close budget and cashflow monitoring on a monthly basis and each academy must have a 3-year forecast in place based on agreed assumptions. Trust-wide finance policies are in place to ensure robust monitoring and reporting and strong internal financial controls. The Trust also seeks to recruit skilled, suitably qualified finance staff. There is also continued financial support from the Sponsor for specific programmes and activities.
- ***Premises and facilities management difficulties including unaffordable building maintenance programmes, failure of the fabric of a building, Health & Safety risks, on-site building works, delayed/phased handover of new school buildings, and operational, safeguarding and financial implications of shared sites at COLPAI, COLAHH, NCS and COLAHG.*** Each school has an asset management plan in place to address routine maintenance, compliance work and longer-term planned maintenance and repair, which is managed by experienced premises teams and facilities management providers. For building works there is continued liaison with building contractors so timelines can be managed. Agreements are in place with counterparties to manage operation and financing of shared sites and physical access controls are in place to support safeguarding of shared sites. All Academies have Business Continuity Plans in place. The Trust has a Director of Facilities and Estates working across all the academies to add relevant skills and capacity in this area.

Trustees' report (including strategic report) 31 August 2023

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

- **Significant loss or failure of key IT systems, or cyber-attack.** IT plans exist in each school to maintain high network and equipment reliability with appropriate support contracts and internal staffing for service management. Robust policies are in place covering access, usage, security and data protection, with training for all staff. Experienced support staff are employed by the Trust to resolve day-to-day issues and there is active knowledge sharing across Trust schools to identify optimal IT solutions for the next 3-5 years. IT capital expenditure is planned to align with Academy development plans where possible, with strategies for identifying and replacing legacy equipment reaching the end of its life.
- **Weak or ineffective governance by trustees, members, or local governing bodies.** Trust governance structure and processes are outlined in the Governance Statement on page 25. The Trustees and Sponsor have commissioned independent reviews of governance in recent years to provide additional scrutiny and increased skills and capacity have been added to the central MAT team to support governance.

Fundraising

The Trust's approach to fundraising centres around the application for grant funding for specific projects in the schools. In the year, the Trust successfully applied for £2.11m (2021/22 £1.97m) in grants from the Sponsor which have been used to fund a range of activities across the academies.

The Trust was grateful to also receive other donations totalling £72,766 (2021/22 £86,272) in the year. Noted below are some of the larger donations received by the individual academies.

- City of London Academy Highbury Grove received donations of £34,850 (2021/22 £12,304), including £10,000 towards the summer term Activities Week.
- The City Academy Hackney received donations of £64,900 (2021/22 £66,728) in total, made up of a £50,000 donation in each year from KPMG, and other smaller donations including from Jack Petchey and Castle Baynard.
- City of London Academy Islington received donations of £8,600 (2021/22 £3,650) including £7,000 from Deloitte.
- City of London Academy Southwark received donations of £8,170 (2021/22 £23,725) in total from a number of City Livery companies.

The Trust has also received several smaller donations in the year which have been used, for example, to buy reading books.

Some academies work with staff, parents and governors to fundraise for the academy through, for example, parent-staff association events. As the academy staff are involved in this way the fundraising activities on behalf of the academy can be monitored and supervised to ensure the activities align with the academy's and the Trust's ethos and values.

The Trust does not participate in direct fundraising approaches to members of the public, which might be considered unreasonably intrusive or persistent, or use professional fundraisers, and no fundraising complaints have been received in the year.

Trustees' report (including strategic report) 31 August 2023

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period	1 September 2022- 31 August 2023	1 September 2021- 31 August 2022
Energy consumption used to calculate emissions (kWh)	12,401,390	12,762,909
Scope 1 emissions in metric tonnes CO ₂ e		
- Gas consumption	1,251.58	1,115.25
- Owned transport – mini-buses	6.96	5.20
Total scope 1	1,258.55	1,120.45
Scope 2 emissions in metric tonnes CO ₂ e		
- Purchased electricity	1,140.80	1,281.51
Scope 3 emissions in metric tonnes CO ₂ e		
- Business travel in employee-owned vehicles	0.03	0.03
Total gross emissions in metric tonnes CO ₂ e	2,399.37	2,401.99
Intensity ratio		
- Tonnes CO ₂ e per pupil	0.30	0.31

Quantification and Reporting Methodology:-

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

We are working towards the installation of smart meters across all sites and are encouraging the increased use of video conferencing technology for staff meetings, to reduce the need for travel between sites. We have also invested in refurbishing existing heat pumps, installing solar panels and replacing lighting around the estate with LEDs to reduce external energy consumption, and are scrutinising data from the building management systems to understand and monitor energy use across our sites and where changes can be made.

PLANS FOR FUTURE PERIODS

The City of London Academies Trust is driven by the ambition to provide world-class experiences and deliver exceptional educational outcomes for the young people it serves.

The priorities for 2023-24 include:

- Review and reshaping trust sponsor relationships under a new sponsorship agreement;
- Agreement and support for careful trust growth beyond the current limit of 12 schools;
- Targeted improvement of pupil/student outcomes and progress data at all the academies;
- Review of central services to improve effectiveness across school improvement and operations through best use of the increase in centrally retained funding.
- Ensuring the long term financial viability of each school and therefore CoLAT as a whole.

Trustees' report (including strategic report) 31 August 2023

PLANS FOR FUTURE PERIODS (continued)

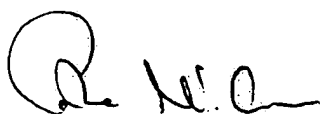
- Addressing recruitment challenges, especially in support functions;
- Continuing to work closely with DfE/ESFA colleagues on the plans to expand NCS, and the ongoing construction works at COLAHH to expand the capacity of that site to allow sixth form teaching on site from early 2024;
- Capital investment projects, funded by the School Condition Allocation, in line with each school's asset management plan; and

AUDITOR

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, approved by order of the members of the Board of Trustees and signed on its behalf by:



Ms C McGuinness, CBE
Chair of Trustees

Date: 15 December 2023

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that the City of London Academies Trust (the '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 the DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer (CEO), as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreements between the Trust and the Secretary of State for Education.

The CEO is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The Board of Trustees has met formally four times during the year with attendance via virtual or hybrid meetings as follows:

Trustee	Number of Meetings attended	Out of a possible
Mr J Banda	3	4
Mr E Benzecry	3	4
Mr R W Blackwell	4	4
Mr T Broeke	3	4
Ms D Elliott	4	4
Mr L Green	2	4
Ms C Haines	2	4
Alderman R P S Howard	4	4
Professor S Khan	4	4
Ms C McGuinness, CBE	3	4
Mr B Murphy	3	4

Ms C McGuinness was Chair for all meetings this year.

Declarations and register of interest are standing agenda items at each meeting of the Board of Trustees, and the Trustees are asked to review and update their register of interests and to inform the Clerk of any changes as and when they arise during the year.

Although the Board of Trustees has met fewer than six times in the year the Trustees have been able to maintain effective oversight of the Trust's funds and financial operations. The Trust's finances are discussed at both Board Meetings and meetings of the Finance and Operations Committee, which met four times in the year. This means the Trust's finances were reviewed and discussed by Trustees eight times in the year, and management accounts were circulated to the Chair of the Trust between meetings as appropriate.

Governance statement Year ended 31 August 2023

Governance (continued)

The information and data presented to the Board of Trustees to inform their discussions and decisions is prepared by the Trust CEO, the Trust CFO (Chief Financial Officer), the Trust CSO (Chief Standards Officer) and the central Trust management team, who will also attend the Trustees' meetings as appropriate. The outline agenda for each Trustee Meeting across the academic and financial year is planned to ensure that all key issues are covered with appropriate frequency. The focus for the Trustees during 2022-23 has included:

- Recovery from the impact of the COVID-19 pandemic and the consideration of:
 - Effective use of the COVID Recovery Premium in each academy
 - Health and safety for all students and staff
 - The emotional well-being of pupils and students
 - Improving attendance and targeting persistent absence
 - Recovery of lost learning
 - Managing the A-level and GCSE exams process
- Academic performance across all Trust schools, with emphasis on exam results (following the disruption in the 2019-20 and 2020-21 exams and grading)
- Ofsted inspections in the year and preparation for the next MATSe (multi-academy trust summary evaluation)
- Budget management, monitoring and reporting across the Trust
- Monitoring of the two new highly academic sixth forms opening at COLAHH and COLASP in September 2022
- Oversight of the planned expansion projects at NCS and COLAHH and the occupation of the brand-new sites at COLASP and COLPAI
- Trust governance and the relationship with the Sponsor, including sponsor agreement updates
- Implementation of the central recharge to schools for the central MAT function
- Expansion of the Trust to 11 schools
- Safeguarding
- Further centralisation of core functions including HR, payroll, premises management and IT management
- Continuing to monitor attendance

During 2021-22 the Board of Trustees commissioned an independent external review of governance which was undertaken by the National Governance Association (NGA) and reported in the prior year annual report.

The governance of the Trust and the composition and effectiveness of the Board of Trustees are subject to regular review and challenge throughout the year by the City of London Corporation Education Board (representing the Sponsor) as part of the Education Board's scope. The Sponsor commissioned an external review of COLAT's governance and strategic leadership arrangements. This has led to a number of actions that have already been taken and others which are incorporated into the forward strategy of the Trust.

Under the Trust's Articles of Association, the Trustees have the power to establish committees and subject to the wider Articles, determine the constitution, membership and terms of reference of any such committee. The membership of any committee of Trustees may include persons who are not Trustees, provided that with the exception of Local Governing Bodies, a majority of members of such committee shall be Trustees. The establishment, terms of reference and membership of any committee must be reviewed at least once every twelve months.

Governance statement Year ended 31 August 2023

Governance (continued)

The Board of Trustees appointed to five committees in the year; the Finance and Operations Committee, the Audit and Risk Committee, the Standards and Accountability Committee, the Remuneration Committee and the People, Equalities and Inclusion Committee. Terms of Reference and membership of these Committees are reviewed and agreed annually by the Board of Trustees.

Finance and Operations Committee

The Finance and Operations Committee's role is one of financial scrutiny and oversight and supporting the Board in maintaining the Trust as a going concern. It is tasked with reviewing the overall financial position of the Trust for appropriateness, monitoring the financial management techniques employed at all levels within the Trust and receiving the annual financial statements before Board Approval. The Committee shall make whatever recommendations to the Board that it deems appropriate within the context of its terms of reference.

The Committee has met four times during the year with attendance via hybrid virtual and physical meetings as follows:

Trustee	Number of Meetings attended	Out of a possible
Mr E Benzecry	4	4
Ms D Elliott	4	4
Alderman R P S Howard	4	4
Ms C McGuinness, CBE	3	4

Mr E Benzecry was Chair for all the meetings in the year.

Audit and Risk Committee

The Audit and Risk Committee's role is to advise the board on the adequacy of the Trust's internal control framework, including financial and non-financial controls and risk management arrangements, to direct a programme of internal scrutiny and to consider the results and quality of external audit. It is tasked with reviewing the overall risk profile of the Trust for appropriateness and to monitor the risk management techniques employed at all levels within the Trust and receiving the Auditor's report before Board Approval. The Committee shall make whatever recommendations to the Board that it deems appropriate within the context of its terms of reference.

The Committee has met four times during the year with attendance via hybrid virtual and physical meetings as follows:

Trustee	Number of Meetings attended	Out of a possible
Mr E Benzecry	4	4
Ms D Elliott	4	4
Alderman R P S Howard	4	4
Ms C McGuinness, CBE	3	4

Mr R Howard was Chair for all the meetings in the year.

Standards and Accountability Committee

The Standards and Accountability Committee's role is one of oversight. It is tasked with reviewing the provision, standards, governance and leadership performance of all Trust academies. It provides a performance profile to the Trust Board and agrees/monitors the effectiveness of interventions to support relative under- performance.

Governance statement Year ended 31 August 2023

Governance (continued)

Standards and Accountability Committee (continued)

The Committee shall make whatever recommendations to the Board that it deems appropriate within the context of its terms of reference to assist the decision making of the Board of Trustees by enabling more detailed consideration to be given to the best means of fulfilling the Trustees' and LGBs' responsibility to ensure a strategic and systematic approach to promoting high standards of educational achievement.

The Committee has met formally three times during the year with attendance via hybrid virtual and physical meetings as follows:

Trustee	Number of meetings attended	Out of a possible
Mr J Banda	1	3
Mr E Benzecry	3	3
Mr R Blackwell	3	3
Ms C McGuinness, CBE	3	3
Ms C Haines	2	3

Mr R Blackwell was Chair for all the meetings in the year.

The Remuneration Committee

The Remuneration Committee's role is to review and approve the performance management process for the Chief Executive Officer and the proposed pay awards for the central Trust Executive Team and the leaders of the ten academies. The Committee shall make whatever recommendations to the Board that it deems appropriate within the context of its terms of reference.

The Committee met formally once during the year with attendance via a hybrid virtual and physical meeting as follows:

Trustee	Number of meetings attended	Out of a possible
Mr R Blackwell	1	1
Ms D Elliott	1	1
Ms C McGuinness, CBE	1	1

Ms C McGuinness was Chair of all the meetings this year.

People, Equalities and Inclusion Committee

The People, Equalities and Inclusion Committee's role is to support the Trust in executing its strategic aims by taking account of people, equality, and inclusion. It is tasked with leading the development of the of people, equality, and inclusion strategy and framework and then monitoring performance against this strategy ensuring that objectives and associated action plans are implemented and effective. The Committee shall make whatever recommendations to the Board that it deems appropriate within the context of its terms of reference.

Governance statement Year ended 31 August 2023

Governance (continued)

People, Equalities and Inclusion Committee (continued)

The Committee has met formally three times during the year with attendance via hybrid virtual and physical meetings as follows:

Trustee	Number of meetings attended	Out of a possible
Mr R Blackwell	2	3
Mr T Broeke	1	3
Ms D Elliott	3	3
Mr L Green	2	3
Professor S Khan	2	3
Ms C McGuinness, CBE	3	3

Ms D Elliott was Chair for all the meetings in the year.

Review of value for money

As Accounting Officer, the CEO has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The Accounting Officer for the Academy Trust has delivered and improved value for money during the year by collaborative working across the Trust, building capacity and delivering savings through joint procurement.

- Continued working with suppliers to get multi-academy trust discounts and improved pricing and discounts for individual schools as the Trust grows, in other areas such as recruitment advertising and health and safety support;
- Continued harmonisation of employment terms and conditions, policies and procedures across the Trust; and
- Strengthening the central IT support services team to share skills and resources, make savings on procurement of infrastructure, hardware, software and licences, and create a more consistent and robust IT environment in all our schools.

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 the Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

Governance statement Year ended 31 August 2023

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is an ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees and each Local Governing Body.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees and Local Governing Bodies in each academy;
- regular reviews by the Board of Trustees and Local Governing Bodies 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; and
- identification and management of risks.

During the year, the Trust continued to utilise the services of an external provider, TIAA, for the provision of internal audit services to the Trust to support the Trust in implementing a structured and comprehensive risk-based approach to internal audit and review across the whole Trust.

As this arrangement has been in place since July 2019 the Trust's internal scrutiny arrangements have not been affected by the requirements of the revised FRC Ethical Standard for auditors.

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

- *Performance Management and Appraisal*
- *Absence Management*
- *Recruitment and induction; and*
- *Reporting.*

The internal auditor reports to the Board of Trustees, through each meeting of the Audit and Risk committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Governance statement Year ended 31 August 2023

The risk and control framework (continued)

The internal auditor has delivered their schedule of work against the plan agreed for 2022-23 covering Human Resources Management, however additional reviews did not occur due to changes in key personnel at the Trust during the year, a full programme has been agreed and will be delivered during 2023-24. Their annual year-end report concludes a reasonable level of assurance was provided overall indicating that: The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.

In addition to the work of the internal auditor the Trust has also undertaken the following during the year:

- The central MAT team requires each local academy finance team to complete and submit a monthly checklist to confirm that their month-end procedures are complete and consistent. This checklist is led and managed by the Trust Finance Manager (who is not involved in the operational finance procedures at the academies).
- As part of the budget-setting process for 2022-23 the Chair of Trustees / Chair of Finance and Operations Committee, CEO and CFO held detailed financial scrutiny meetings with the senior management team in each academy to challenge historical and forecast financial performance, cash and reserves management, and to discuss the school's risk register.

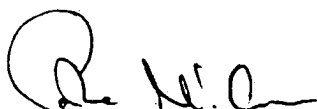
Review of effectiveness

As Accounting Officer, the Chief Executive Officer of City of London Academies Trust has responsibility for reviewing the effectiveness of the system of internal control. During the year in question, the review has been informed by:

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee, and a plan to address weaknesses and ensures continuous improvement of the system is in place.

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



Ms C McGuinness, CBE
Chair of Trustees



Mr M Emmerson
Accounting Officer

Date: 15 December 2023

Statement on regularity, propriety and compliance Year ended 31 August 2023

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Mr M Emmerson
Accounting Officer

Date: 15 December 2023

Statement of Trustees' responsibilities Year to 31 August 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Trust 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:

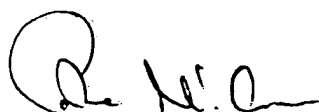
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102) and the Academies Accounts Direction 2022 to 2023;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust 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 Trust applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DFE have been applied for the purposes intended.

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

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



Ms C McGuinness, CBE
Chair of Trustees

Date: 15 December 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITY OF LONDON ACADEMIES TRUST

Opinion

We have audited the financial statements of City of London Academies Trust (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 August 2023 which comprise the group statement of financial activities, the group and charitable parent company balance sheets, the group statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP 2019) and the Academies Accounts Direction 2023 to 2022.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 August 2023, and of the group's income and expenditure for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2023 to 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or charitable parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent auditor's report 31 August 2023

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law, includes the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report.

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

- ◆ adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the charitable parent company 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.

Independent auditor's report 31 August 2023

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 group's and the charitable parent 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 trustees either intend to liquidate the group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the group through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the group and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2023 to 2022, the Academies Financial Handbook 2021, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;

Independent auditor's report 31 August 2023

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

- ◆ we understood how the group is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and the subsidiary company directors' meetings and papers provided to the trustees and directors.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of trustees' meetings and subsidiary company directors' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

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

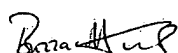
Independent auditor's report 31 August 2023

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

Use of our report

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



22 December 2023

Edward Finch (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Independent reporting accountant's report 31 August 2023

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CITY OF LONDON ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 22 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by City of London Academies Trust during the period from 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of City of London Academies Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of City of London Academies Trust's funding agreement with the Secretary of State for Education dated 4 September 2003, subject to a Deed of Variation dated 14 September 2014, and the Academies Financial Handbook, 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 Financial Handbook 2017. 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 from 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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.

Independent reporting accountant's report 31 August 2023

Approach (continued)

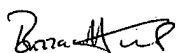
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;
- Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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 from 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 22 December 2023

Consolidated statement of financial activities Year to 31 August 2023

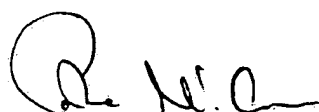
	Notes	Restricted funds			2023 Total Funds £'000	2022 Total Funds £'000
		Un restricted funds £'000	General fund £'000	Fixed assets £'000		
Income from:						
Donations and capital grants	2	123	-	1,869	1,992	1,778
Charitable activities:						
Funding for the Trust's educational operations	5	-	76,389	-	76,389	69,945
Other trading activities	3	1,234	636	-	1,870	1,690
Investments	4	31	-	-	31	14
Total income		1,388	77,025	1,869	80,282	73,427
Expenditure on:						
Raising funds	6	-	-	-	-	262
Charitable activities:						
Trust's educational operations	7	380	76,602	6,419	83,401	80,809
Total expenditure	6	380	76,602	6,419	83,401	81,071
Net income (expenditure) before transfers		1,008	423	(4,550)	(3,119)	(7,644)
Transfers between funds	18	-	(69)	69	-	-
Other recognised gains (losses)						
Actuarial gains on defined benefit pension schemes	21	-	4,411	-	4,411	26,299
Net movement in funds		1,008	4,765	(4,481)	1,292	18,655
Fund balances brought forward at 1 September 2022		7,381	(3,401)	178,067	182,047	163,392
Fund balances carried forward at 31 August 2023		8,389	1,364	173,586	183,339	182,047

All of the Group's activities derive from continuing operations during the above two financial periods. The Group had no recognised gains or losses other than those shown above.

Balance sheets 31 August 2023

	Notes	2023		2022	
		Group £'000	Trust £'000	Group £'000	Trust £'000
Fixed assets					
Intangible fixed assets	13	3	3	6	6
Tangible assets	14	171,269	171,269	175,602	175,602
		171,272	171,272	175,608	175,608
Current assets					
Debtors	15	2,948	3,156	2,970	3,237
Cash at bank and in hand		17,566	17,520	17,568	17,280
		20,514	20,676	20,538	20,517
Liabilities					
Creditors: amounts falling due within one year	17	(7,716)	(7,878)	(9,941)	(9,920)
Net current assets		12,798	12,798	10,597	10,597
Net assets excluding pension scheme liability		184,070	184,070	186,205	186,205
Pension liability	21	(731)	(731)	(4,158)	(4,158)
Total net assets		183,339	183,339	182,047	182,047
Restricted funds					
Fixed assets fund	18	173,586	173,586	178,067	178,067
Restricted income funds	18	2,095	2,095	757	757
Pension reserve	18	(731)	(731)	(4,158)	(4,158)
Total restricted funds		174,950	174,950	174,666	174,666
Unrestricted income funds					
General fund	18	8,073	8,389	7,094	7,381
Funds retained with subsidiary	18	316	-	287	-
Total funds		183,339	183,339	182,047	182,047

The financial statements on pages 39 to 71 were approved by the Trustees of City of London Academies Trust, Company Registration No. 04504128 (England and Wales) and authorised for issue and signed on their behalf by:



Ms C McGuinness, CBE
Chair of Trustees

Date: 15 December 2023

Consolidated statement of cash flows Year to 31 August 2022

		2023 £'000	2022 £'000
Net cash flows from operating activities			
Net cash provided by operating activities	A	181	1,198
Cash flows from investing activities	B	(183)	42
Change in cash and cash equivalents in the year		(2)	1,240
Cash and cash equivalents at 1 September 2022		17,568	16,328
Cash and cash equivalents at 31 August 2023		17,566	17,568
A Reconciliation of net income to net cash flow from operating activities			
		2023 £'000	2022 £'000
Net income for the year (as per the statement of financial activities)		(3,119)	(7,644)
Adjusted for:			
Amortisation (note 13)		3	22
Depreciation charges (note 14)		6,416	6,639
Capital grants from DfE and other capital income (note 2)		(1,869)	(1,684)
Other Donated or Inherited fixed assets		-	(8)
Interest receivable (note 4)		(31)	(14)
Defined benefit pension scheme cost less contributions payable		844	4,477
Defined benefit pension scheme finance cost		140	(443)
Decrease in debtors		22	72
Decrease in creditors		(2,225)	(219)
Net cash provided by operating activities		181	1,198
B Cash flows from investing activities			
		2023 £'000	2022 £'000
Dividends, interest and rents from investments		31	14
Purchase of tangible fixed assets		(2,083)	(1,656)
Capital grants from DfE/ESFA		1,869	1,684
Net cash (used in)/provided by investing activities		(183)	42
C Analysis of cash and cash equivalents			
		2023 £'000	2022 £'000
Total cash and cash equivalents: Cash at bank and in hand		17,566	17,568

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the Trust and the above cash and cash equivalents.

Principal accounting policies 31 August 2022

STATEMENT OF ACCOUNTING POLICIES

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

Basis of preparation

The financial statements of the 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 (FRS102)), the Academies Accounts Direction 2023 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in sterling rounded to the nearest thousand pounds.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Academy Trust and its wholly owned subsidiary, City of London Academy Southwark Lettings Limited, on a line-by-line basis. No separate statement of financial activities has been presented for the Academy Trust alone, as permitted by Section 408 of the Companies Act 2006

Going concern

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

Income

All incoming resources are recognised when the Trust has entitlement to the funds, the receipt is probable, and the amount can be measured reliably.

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Principal accounting policies 31 August 2022

Grants (continued)

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

Sponsorship income

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

Donations

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

Other income

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

Transfer on conversion

The Assets and Liabilities transferred from Local Authorities to the Trust on conversion of a maintained school to an academy within the Trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. £nil consideration was paid by the Trust and the transfer of assets and liabilities has been accounted for as a combination that is in substance a gift.

The fair value of these assets and liabilities is in accordance with the accounting policies set out for the Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Assets donated under a commercial transfer agreement

The Assets and Liabilities transferred by Local Authorities to the Trust under a commercial transfer agreement when the Trust opens a new free school academy in place of a former school or educational provision, have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. £nil consideration was paid by the Trust and the transfer of assets and liabilities has been accounted for as a combination that is in substance a gift.

The fair value of these assets and liabilities is in accordance with the accounting policies set out for the Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Transfer of existing academies into the academy trust

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within Donations and capital grant income to the net assets acquired.

Principal accounting policies 31 August 2022

Donated fixed assets (excluding transfers on conversion/under a commercial transfer agreement)

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

The following leasehold land and buildings donated to the Trust for a £nil consideration have been recognised as donations with a corresponding amount showing in fixed assets as leasehold land and buildings.

- Leasehold land and buildings at City of London Primary Academy Islington (COLPAI) donated by the City of London Corporation
- Leasehold land and buildings at City of London Academy Shoreditch Park (COLASP) donated by the London Borough of Hackney
- Leasehold land and buildings at Galleywall Primary School donated by the London Borough of Southwark
- Leasehold land and buildings at City of London Academy Highbury Grove (COLAHG) sixth form donated to the Trust by the London Borough of Islington

The value of these land and buildings has been derived from valuations undertaken by an independent professional property surveyor. Although the Trust has not yet formally entered into the 125-year leases for all of these properties, the risks and rewards of ownership have passed to the Trust.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds

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

Charitable activities

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

All expenditure is stated net of recoverable VAT.

Principal accounting policies 31 August 2022

Intangible fixed assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software 20-33% per annum

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised as tangible fixed assets and are carried at cost, net of any depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or the private sector, they are included in the Balance Sheet at cost and are 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 consolidated Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the consolidated Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Buildings developed by a third party and subsequently donated to the Trust are recognised on the Balance Sheet once the works are complete and the building is available for use. An amount equal to the cost or value recognised is credited to the Statement of Financial Activities as donations income.

Assets in the course of construction are included at cost and depreciation on these assets is not charged until they are brought into use and reclassified to the relevant class of tangible fixed assets.

Depreciation is provided on all tangible fixed assets, other than freehold land and assets under construction, at rates calculated to write off the cost of each asset over its expected useful economic life. Depreciation is charged on a straight-line basis beginning in the year in which the asset is brought into use at the following annual rates:

- Leasehold land and buildings 0.8% to 5%
- Furniture and equipment 6% to 20% per annum
- Computer Equipment 10% to 20% per annum
- Motor Vehicles 20% to 33% per annum

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.

Private Finance Initiative

Properties developed under a Private Finance Initiative (PFI) scheme are excluded from the balance sheet where the Academy Trust is not directly party to the PFI agreement itself and rather the local authority has directly contracted with the PFI contractor, and the Academy Trust in turn has contracted with the local authority to make financial contributions in respect of the premises.

Principal accounting policies 31 August 2022

Investments

The Trust's shareholding in the wholly owned subsidiary, City of London Academy Southwark Lettings Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represented such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Leased assets

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

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in [note 15]. Prepayments are not financial instruments. Amounts due from the charity's wholly owned subsidiary are held at face value less any impairment. Investments in common investment funds are also a basic financial instrument. The investment is initially recognised at cost and subsequently carried on the balance sheet fair value. Changes in the fair value are reflected as investment gains or losses through the Statement of Financial Activities.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in [note 17]. 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. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

Taxation

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

Principal accounting policies 31 August 2022

Pensions benefits

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred.

Net interest on the net defined benefit liability is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

The trusts schools are part of LGPS schemes across several local authorities. Where the Trusts pensions within a particular LGPS scheme is valued to be in surplus, this surplus is not carried on the balance sheet in accordance with the requirements of FRS 102. Accordingly, a corresponding adjustment against the actuarial gain has been made to bring the net LGPS position to £nil on the balance sheet in respect of such schemes. Where the Trusts pensions within a particular LGPS scheme are valued to be in a liability position, these liabilities are recognised in full.

Fund accounting

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

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

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

Principal accounting policies 31 August 2022

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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 LGPS defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.
- Estimating the fair value of the Assets and Liabilities transferred from Local Authorities to the Trust on conversion of a maintained school to an academy within the Trust, or under a commercial transfer agreement when the Trust opens a new free school academy in place of a former school or educational provision.
- Estimating the fair value of the Assets and Liabilities received on the transfer of an existing academy into the academy trust
- Estimating the fair value of leasehold land and buildings donated to the Trust from Local Authorities for a £nil consideration.
- Estimating the fair value of laptops provided by the ESFA, DfE, local authorities and other third parties during the COVID-19 pandemic
- Estimating the useful economic life of tangible and intangible fixed assets for the purposes of calculating depreciation/amortisation.

Notes to the financial statements 31 August 2023

1 General annual grant (GAG)

Under the funding agreement with the Secretary of State the Trust was subject to limits at 31 August 2023 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Trust has not exceeded these limits during the year ended 31 August 2023.

2 Donations and capital grants

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed assets funds £'000	2023 Total funds £'000	2022 Total funds £'000
Capital grants	-	-	1,869	1,869	1,684
Donated assets/liabilities					
Other transfer from a Local Authority	-	-	-	-	8
Other donations	123	-	-	123	86
	123	-	1,869	1,992	1,778

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed assets funds £'000	2022 Total funds £'000
Capital grants	-	-	1,684	1,684
Donated assets/liabilities				
Other transfer from a Local Authority	-	-	8	8
Other donations	86	-	-	86
	86	-	1,692	1,778

Notes to the financial statements 31 August 2023

3 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Hire of facilities	466		466	613
Trip income		286	286	188
Catering income (non-students)	6		6	7
Miscellaneous income	762	350	1,112	882
	1,234	636	1,870	1,690

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
<i>Hire of facilities</i>	613	-	613
<i>Trip income</i>	188	-	188
<i>Catering income</i>	7	-	7
<i>Miscellaneous income</i>	589	293	882
	1,397	293	1,690

4 Investment income

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Interest receivable	31	-	31	14
	31	-	31	14

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000
<i>Interest receivable</i>	14	-	14
	14	-	14

Notes to the financial statements 31 August 2023

5 Funding for the Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
DfE / ESFA grants				
. General Annual Grant (GAG)	-	61,598	61,598	57,070
. Other DfE / ESFA Grants				
. UIFSM	-	146	146	130
. Pupil Premium	-	3,562	3,562	3,505
. Others	-	3,368	3,368	1,741
. Teacher Training Grants	-	-	-	76
	-	68,674	68,674	62,522
Other grants				
. Local authority grants	-	2,795	2,795	2,279
. Special educational projects	-	841	841	856
	-	3,636	3,636	3,135
Other income from the Trust's educational operations	-	2,724	2,724	3,222
Exceptional government funding				
Coronavirus exceptional support	-	-	-	-
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	910	910	405
Other DfE/ESFA COVID-19 funding	-	445	445	661
	-	1,355	1,355	1,066
	-	76,389	76,389	69,945

Notes to the financial statements 31 August 2023

5 Funding for the Trust's educational operations (continued)

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
<i>DfE / ESFA grants</i>			
. General Annual Grant (GAG)	-	57,070	57,070
. Other DfE / ESFA Grants			
. UIFSM	-	130	130
. Pupil Premium	-	3,505	3,505
. Others	-	1,741	1,741
. Teacher Training Grants	-	76	76
	-	62,522	62,522
<i>Other grants</i>			
. Local authority grants	-	2,279	2,279
. Special educational projects	-	856	856
	-	3,135	3,135
<i>Other income from the Trust's educational operations</i>	2,071	1,151	3,222
<i>Exceptional government funding</i>			
Coronavirus exceptional support	-	-	-
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	-	405	405
Other DfE/ESFA COVID-19 funding	-	661	661
	-	1,066	1,066
	2,071	67,874	69,945

Notes to the financial statements 31 August 2023

6 Expenditure

	Staff costs £'000	Premises £'000	Other costs £'000	2023 £'000	2022 £'000
Expenditure on raising funds					
. Direct costs	-	-	-	-	-
. Support costs	-	-	-	-	262
School's educational operations:					
. Direct costs	48,353	6,417	5,218	59,988	56,302
. Allocated support costs	9,944	7,910	5,559	23,413	24,507
	58,297	14,327	10,777	83,401	81,071

	Staff costs £'000	Premises £'000	Other costs £'000	2022 £'000
Expenditure on raising funds				
. Direct costs	-	-	-	-
. Support costs	185	46	31	262
School's educational operations:				
. Direct costs	44,590	6,639	5,073	56,302
. Allocated support costs	12,750	6,523	5,234	24,507
	57,525	13,208	10,338	81,071

Net income (expenditure) for the year is stated after charging:

	2023 £'000	2022 £'000
Operating lease rentals	184	125
Depreciation	6,416	6,639
Amortisation	3	22
Fees payable to auditor		
. Audit	34	33
. Additional audit fees for prior year	5	22
. Other services	18	13

Notes to the financial statements 31 August 2023

7 Charitable activities – Trust's educational operations

	2023 £'000	2022 £'000
Direct costs	59,988	56,302
Support costs	23,413	24,507
	83,401	80,809

Analysis of support costs	2023 £'000	2022 £'000
Support staff costs	9,944	12,750
Technology costs	644	977
Premises costs	7,910	6,523
Legal costs – other	75	37
Other support costs	4,704	4,105
Governance costs	136	115
Total support costs	23,413	24,507

Analysis of cost by academy

Expenditure incurred by each academy during the year (excluding depreciation and amortisation) was as follows:

	Teaching and education support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation and amortisation) £'000	Total 2023 £'000
City of London Academy Southwark	9,333	2,283	738	2,141	14,495
Galleywall Primary School	1,751	690	187	654	3,282
City of London Academy Highgate Hill	4,132	757	421	1,313	6,623
City of London Academy Highbury Grove	6,911	1,458	720	2,675	11,764
Newham Collegiate Sixth Form Centre	2,718	419	207	824	4,168
City of London Primary Academy Islington	1,204	228	96	614	2,142
Redriff Primary School	3,045	1,256	290	1,394	5,985
City of London Academy Shoreditch Park	4,814	732	482	1,717	7,745
The City Academy, Hackney	6,604	1,335	614	2,525	11,078
City of London Academy Islington	4,696	1,560	459	1,548	8,263
Trust Central Function	455	669	-	602	1,726
	45,663	11,387	4,214	16,007	77,271

Notes to the financial statements 31 August 2023

8 Comparative information

	Notes	<u>Restricted funds</u>			2022 Total Funds £'000
		Un restricted funds £'000	General fund £'000	Fixed assets £'000	
<i>Income from:</i>					
<i>Donations and capital grants</i>	2	86	-	1,692	1,778
<i>Transfers on existing Academies joining the Trust</i>	22	-	-	-	-
<i>Charitable activities:</i>					
<i>Funding for the Trust's educational operations</i>	5	2,071	67,874	-	69,945
<i>Other trading activities</i>	3	1,397	293	-	1,690
<i>Investments</i>	4	14	-	-	14
<i>Total income</i>		<u>3,568</u>	<u>68,167</u>	<u>1,692</u>	<u>73,427</u>
<i>Expenditure on:</i>					
<i>Raising funds</i>	6	262	-	-	262
<i>Charitable activities:</i>					
<i>Trust's educational operations</i>	7	-	74,148	6,661	80,809
<i>Total expenditure</i>	6	<u>262</u>	<u>74,148</u>	<u>6,661</u>	<u>81,071</u>
<i>Net income (expenditure) before transfers</i>		3,306	(5,981)	(4,969)	(7,644)
<i>Transfers between funds</i>	18	(2,267)	1,686	581	-
<i>Other recognised gains (losses)</i>					
<i>Actuarial losses on defined benefit pension schemes</i>	21	-	26,299	-	26,299
<i>Net movement in funds</i>		1,039	22,004	(4,388)	18,655
<i>Fund balances brought forward at 1 September 2021</i>		<u>6,342</u>	<u>(25,405)</u>	<u>182,455</u>	<u>163,392</u>
<i>Fund balances carried forward at 31 August 2022</i>		<u>7,381</u>	<u>(3,401)</u>	<u>178,067</u>	<u>182,047</u>

Notes to the financial statements 31 August 2023

9 Staff

a) Staff costs

Staff costs during the year were as follows:

	2023 £'000	2022 £'000
Wages and salaries	41,359	39,155
Social security costs	4,506	4,384
Pension costs	8,776	11,443
Apprenticeship levy	167	182
	54,808	55,164
Supply staff costs	3,273	2,303
Staff restructuring costs	216	58
	58,297	57,525
	2023 £	2022 £
Staff restructuring costs comprise		
Severance payments	216	58
	216	58

b) Staff severance payments

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

£0 - £25,000	5
£25,001 - £50,000	<u>4</u>

These non-contractual severance payments totalling £215,771 (2022: £58,717) were made to nine members of staff (2022 - three individuals). Individually, these payments including any employer national insurance and pension costs, were £54,592, £41,714, £30,000, £28,743, £25,000, £19,500, £10,000, £5,723 and £500 (2022: £28,700, £22,000 and £7,017).

Staff numbers

The average number of persons (including the senior management team) employed by the charitable company during the year ended 31 August 2023 expressed as headcount was as follows:

Charitable activities	2023 No.	2022 No.
Teachers	503	503
Administration and support	439	445
Management	89	86
	1,031	1,034

Notes to the financial statements 31 August 2023

9 Staff (continued)

c) *Higher paid staff*

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2023 Number	2022 Number
£60,001 - £70,000	71	65
£70,001 - £80,000	23	27
£80,001 - £90,000	13	15
£90,001 - £100,000	4	1
£100,001 - £110,000	4	3
£110,001 - £120,000	-	3
£120,001 - £130,000	2	1
£170,001 - £180,000	1	-
£180,001 - £190,000	-	1
£190,001 - £200,000	1	1

d) *Key management personnel*

The key management personnel of the Trust comprise the Trustees and the senior management team. The total amount of employee benefits (including employer pension contributions) and employer social security costs payable in respect of key management personnel for their services to the academy trust was £2.04m (2022: £2.01m).

10 Trustees' remuneration and benefits

Trustees did not receive any payments from the Trust in respect of their role as Trustees (2022: £nil). No travel and subsistence expenses were paid in the year (2022: £nil).

The Trust has opted into the Department for Education's (DfE) Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme.

Other related party transactions involving the Trustees are set out in note 23.

Notes to the financial statements 31 August 2023

11 City of London Academy Southwark Lettings Limited

	2023 £'000	2022 £'000
Turnover	442	330
Cost of Sales	-	(16)
Gross profit	442	314
Administrative expenses	(126)	(87)
Profit on ordinary activities before taxation	316	227
Tax	-	-
Profit on ordinary activities after taxation	316	227
Donation to Trust under Gift Aid	(287)	-
Loss on ordinary activities after taxation	29	227

The assets and liabilities of the subsidiary were:

	2023 £'000	2022 £'000
Current assets	365	313
Creditors: amounts falling due within one year	(49)	(26)
Total assets less current liabilities	316	287

12 Central services

The Trust provided certain central services to its academies during the year and the prior year including executive and financial oversight and support, governance support and support with educational standards and accountability. The Trust charged each academy 2% (2022: 2%) of its core funding income for these services as listed below.

	2023 £'000	2022 £'000
City of London Academy Southwark	246	216
Galleywall Primary School	49	43
City of London Academy Highbury Grove	171	161
City of London Academy Highgate Hill	107	104
Newham Collegiate Sixth Form,	81	70
City of London Primary Academy Islington	34	26
Redriff Primary School	67	61
City of London Academy Shoreditch Park	129	118
The City Academy, Hackney	160	181
City of London Academy Islington	137	127
	1,181	1,107

Notes to the financial statements 31 August 2023

13 Intangible fixed assets

Group and Trust	Computer software £'000	Total £'000
Cost/valuation		
At 1 September 2022	198	198
Additions	-	-
At 31 August 2023	198	198
Amortisation		
At 1 September 2022	192	192
Charge in year	3	3
At 31 August 2023	195	195
Net book value		
At 31 August 2023	3	3
At 31 August 2022	6	6

14 Tangible fixed assets

Group and Trust	Assets Under Construction £'000	Leasehold land and buildings £'000	Furniture and equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost or valuation						
At 1 September 2022	-	200,699	6,147	5,296	92	212,234
Additions	86	582	1,124	291	-	2,083
At 31 August 2023	86	201,281	7,271	5,587	92	214,317
Depreciation						
At 1 September 2022	-	30,727	2,490	3,333	82	36,632
Charge for year	-	4,626	1,015	768	7	6,416
At 31 August 2023	-	35,353	3,505	4,101	89	43,048
Net book values						
At 31 August 2023	86	165,928	3,766	1,486	3	171,269
At 31 August 2022	-	169,972	3,657	1,963	10	175,602

At 31 August 2023 the Trust had capital commitments totalling £497,467 (2022: £343,281).

Notes to the financial statements 31 August 2023

15 Debtors

	2023		2022	
	Group £'000	Trust £'000	Group £'000	Trust £'000
Trade debtors	625	514	230	204
VAT recoverable	571	572	447	447
Amount due from subsidiary	-	-	-	-
Other debtors	172	174	32	40
Prepayments and accrued income	1,580	1,896	2,261	2,546
	2,948	3,156	2,970	3,237

16 Investments

The Trust has one wholly owned subsidiary, City of London Academy Southwark Lettings Limited (see Note 11). At 31 August 2023 this investment is recognised at the cost of £100 in the balance sheet of the Trust (2022: £100).

17 Creditors: amounts falling due within one year

	2023		2022	
	Group £	Trust £	Group £	Trust £
Trade creditors	1,856	1,813	1,840	1,838
Taxation and social security	1,107	1,107	880	879
ESFA creditor: abatement of GAG	38	38	73	73
Other creditors	125	344	870	864
Accruals and deferred income	4,590	4,576	6,278	6,266
	7,716	7,878	9,941	9,920
Deferred income				
Deferred income at 1 September 2022	2,279	2,273	2,707	2,689
Released during the year	(2,279)	(2,273)	(2,707)	(2,689)
Resources deferred in the year	2,093	2,093	2,279	2,273
Deferred income at 31 August 2023	2,093	2,093	2,279	2,273

Deferred income includes grants from the Sponsor specifically provided for future academic years, rates funding, local authority revenue grant funding, free school meals income paid in advance and monies relating to the Maths Hub.

Notes to the financial statements 31 August 2023

18 Funds

The income funds of the Trust include restricted funds comprising the following unexpended balances of grants held for specific purposes:

Group	At 1 September 2022 £'000	Income £'000	Expenditure £'000	Transfers and actuarial gains and losses £'000	At 31 August 2023 £'000
Restricted general funds					
General Annual Grant (GAG)	699	61,598	(60,208)	(52)	2,037
UIFSM	-	146	(146)	-	-
Pupil Premium	-	3,562	(3,562)	-	-
Other restricted funds	58	11,719	(11,702)	(17)	58
Pension reserve	(4,158)	-	(984)	4,411	(731)
	<u>(3,401)</u>	<u>77,025</u>	<u>(76,602)</u>	<u>4,342</u>	<u>1,364</u>
Restricted fixed asset funds					
Transfer on conversion	165,493	-	-	-	165,493
DfE/ESFA capital grants	8,601	1,869	(6,419)	69	4,120
Capital expenditure from GAG	3,973	-	-	-	3,973
	<u>178,067</u>	<u>1,869</u>	<u>(6,419)</u>	<u>69</u>	<u>173,586</u>
Total restricted funds	<u>174,666</u>	<u>78,894</u>	<u>(83,021)</u>	<u>4,411</u>	<u>174,950</u>
Unrestricted funds					
General funds	7,094	946	(254)	287	8,073
Subsidiary	287	442	(126)	(287)	316
Total unrestricted funds	<u>7,381</u>	<u>1,388</u>	<u>(380)</u>	<u>-</u>	<u>8,389</u>
Total funds	<u>182,047</u>	<u>80,282</u>	<u>(83,401)</u>	<u>4,411</u>	<u>183,339</u>

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

Restricted general funds

Restricted general funds represent the balance of funds available from revenue grants received from local/central government and other donors, the application of which is limited to the conditions imposed by the grantor/donor. The principal funding receivable from the government is the General Annual Grant (GAG) provided by the Education and Skills Funding Agency. Under the funding agreement with the Secretary of State, the Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2023. As disclosed in Note 1 this limit was not exceeded.

Notes to the financial statements 31 August 2023

18. Funds (continued)

Restricted fixed asset funds

This fund equates to the net book value of the Academy Trusts tangible fixed assets plus any capital funding received from central/local government and other donors which has not been expended by the balance sheet date. The capital funding may be used to complete capital projects or undertaken maintenance works on existing tangible fixed assets. The fund balance includes the carrying value of school buildings (and other tangible fixed assets) inherited by the Academy Trust where a school has converted or joined City of London Academies Trust from another Academy Trust, and the carrying value of assets donated to the Academy Trust.

Unrestricted funds

The unrestricted general funds represent monies which may be applied for any purpose within City of London Academies Trust's objects.

Transfers between funds

Transfers from either restricted general funds or unrestricted funds to the restricted fixed asset funds are made where a shortfall exists in the capital reserves available to fully fund the cost of tangible fixed assets owned by the Academy Trust.

Analysis of fund balance by school

	2023 £'000	2022 £'000
City of London Academy Southwark	4,339	3,481
Galleywall Primary School	(115)	(96)
City of London Academy Highbury Grove	(1,435)	(1,456)
City of London Academy Highgate Hill	427	176
Newham Collegiate Sixth Form	1,411	643
City of London Primary Academy Islington	254	302
Redriff Primary School	226	522
City of London Academy Shoreditch Park	704	899
The City Academy, Hackney	2,186	1,722
City of London Academy Islington	1,964	1,481
Central Trust	207	177
Total before fixed assets and pension reserve	10,168	7,851
Restricted fixed asset fund	173,586	178,067
Pension liability	(731)	(4,158)
Total for Trust	172,855	181,760
Subsidiary	316	287
Total for group	183,339	182,047

The cumulative deficit at City of London Academy Highbury Grove (COLAHG) has arisen in the past due to a number of factors including additional spend on supply staff costs due to high levels of sickness absence. The school also incurs substantial premises costs, because of the PFI arrangement, over which it has little control as the bulk of these costs are contractually driven and have risen in the year.

Another key reason for the financial challenges is that pupil funding rates in the Islington borough are significantly lower than Hackney and Southwark (where other Trust secondary academies are).

Notes to the financial statements 31 August 2023

18. Funds (continued)

Analysis of fund balance by school (continued)

The Trust central team continues to work closely with the COLAHG senior leadership team and governors to develop, implement and maintain a sustainable deficit recovery plan to:

- Ensure the school is maximising its funding allocations;
- Review the curriculum, timetable and staffing structures to maximise efficiency;
- Review the profitability of the lettings and catering functions; and
- Ensure careful management of the PFI contract performance.

It is pleasing to see that in-year COLAHG balanced its books, and made a small contribution to reducing the brought forward deficit.

Comparative information

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

Group	At 1 September 2021 £'000	Income £'000	Expenditure £'000	Transfers and actuarial gains and losses £'000	At 31 August 2022 £'000
<i>Restricted general funds</i>					
General Annual Grant (GAG)	960	57,070	(59,017)	1,686	699
Pupil Premium	—	3,505	(3,505)	-	-
UIFSM	—	130	(130)	-	-
Recovery premium	—	405	(405)	-	-
Other DfE/ESFA COVID-19 funding	—	661	(661)	-	-
Other DfE/ESFA grants	—	1,817	(1,817)	-	-
Local authority grants	—	2,279	(2,279)	-	-
Other restricted funds	58	1,773	(1,773)	-	58
Pension reserve	(26,423)	527	(4,561)	26,299	(4,158)
	<u>(25,405)</u>	<u>68,167</u>	<u>(74,148)</u>	<u>27,985</u>	<u>(3,401)</u>
<i>Restricted fixed asset funds</i>					
Transfer on conversion	165,485	8	--	-	165,493
DfE/ESFA capital grants	13,578	1,684	(6,661)	-	8,601
Capital expenditure from GAG	3,392	-	-	581	3,973
	<u>182,455</u>	<u>1,692</u>	<u>(6,661)</u>	<u>581</u>	<u>178,067</u>
<i>Total restricted funds</i>	<u>157,050</u>	<u>69,859</u>	<u>(80,809)</u>	<u>28,566</u>	<u>174,666</u>
<i>Unrestricted funds</i>					
General funds	6,282	3,238	(159)	(2,267)	7,094
Subsidiary	60	330	(103)	-	287
<i>Total unrestricted funds</i>	<u>6,342</u>	<u>3,568</u>	<u>(262)</u>	<u>(2,267)</u>	<u>7,381</u>
<i>Total funds</i>	<u>163,392</u>	<u>73,427</u>	<u>(81,071)</u>	<u>26,299</u>	<u>182,047</u>

Notes to the financial statements 31 August 2023

19. Analysis of net assets between funds

Group	Unrestricted funds £'000	Restricted funds		Total 2023 £'000	Total 2022 £'000
		General fund £'000	Fixed assets £'000		
Fund balances at 31 August 2023 are represented by:					
Intangible fixed assets	-	-	3	3	6
Tangible fixed assets	-	-	171,269	171,269	175,602
Current assets	8,390	9,810	2,314	20,514	20,538
Current liabilities	-	(7,716)	-	(7,716)	(9,941)
Pension scheme liability	-	(731)	-	(731)	(4,158)
Total net assets	8,390	1,363	173,586	183,339	182,047

Group	Unrestricted funds £'000	Restricted funds		Total 2022 £'000
		General fund £'000	Fixed assets £'000	
Fund balances at 31 August 2022 are represented by:				
Intangible fixed assets	-	-	6	6
Tangible fixed assets	-	-	175,602	175,602
Current assets	7,381	10,698	2,459	20,538
Current liabilities	-	(9,941)	-	(9,941)
Pension scheme liability	-	(4,158)	-	(4,158)
Total net assets	7,381	(3,401)	178,067	182,047

	Unrestricted funds £'000	Restricted funds		Total 2023 £'000	Total 2022 £'000
		General fund £'000	Fixed assets £'000		
Trust	£'000	£'000	£'000	£'000	£'000
Fund balances at 31 August 2023 are represented by:					
Intangible fixed assets	-	-	3	3	6
Tangible fixed assets	-	-	171,269	171,269	175,602
Current assets	8,073	10,289	2,314	20,676	20,517
Current liabilities	-	(7,878)	-	(7,878)	(9,920)
Pension scheme liability	-	(731)	-	(731)	(4,158)
Total net assets	8,073	1,680	173,586	183,339	182,047

Notes to the financial statements 31 August 2023

19 Analysis of net assets between funds (continued)

<i>Trust</i>	<i>Unrestricted funds</i>	<i>Restricted funds</i>		<i>Total 2022</i>
		<i>General fund</i>	<i>Fixed assets</i>	
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>Fund balances at 31 August 2022 are represented by:</i>				
<i>Intangible fixed assets</i>	-	-	6	6
<i>Tangible fixed assets</i>	-	-	175,602	175,602
<i>Current assets</i>	7,381	10,677	2,459	20,517
<i>Current liabilities</i>	-	(9,920)	-	(9,920)
<i>Pension scheme liability</i>	-	(4,158)	-	(4,158)
<i>Total net assets</i>	7,381	(3,401)	178,067	182,047

20 Commitments under operating leases and other agreements

Operating leases

At 31 August 2023, the total of the Trust's future minimum lease payments under non-cancellable operating leases in respect of office equipment was as follows:

	2023	2022
	£'000	£'000
Amounts due within one year	184	283
Amounts due between one and five years	151	256
Amounts due after five years	1	-
	336	539

Private Finance Initiative

The property occupied by Highbury Grove was financed by a Private Finance Initiative agreement between the PFI contractor and the local authority (the owner of the freehold). The Trust is subject to a sub-agreement with the Local Authority which requires the Trust to make an annual contribution towards facilities management and the unitary charge for a period of 15 years expiring July 2033, along with an annual administration fee. At 31 August 2023, the total of the Trust's future minimum commitments under this sub-agreement were estimated to be:

	2023	2022
	£'000	£'000
Amounts due within one year	1,758	1,563
Amounts due between one and five years	9,613	7,663
Amounts due after more than five years	20,859	17,215
	32,230	26,441

21 Pension and similar obligations

The 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. Both are multi-employer defined benefit schemes.

Notes to the financial statements 31 August 2023

21 Pension and similar obligations (continued)

Prior to 31 August 2023, the latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022. A further valuation of the TPS scheme, relating to the period ended 31 March 2020 was published in October 2023.

At 31 August 2023 there were outstanding contributions totalling £0.01m (2021-22: £0.84m) included in Other Creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The actuarial valuation of the TPS which applied during the year ended 31 August 2023 was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The valuation result is due to be implemented from 1 April 2024, from this date employer contribution rates will increase to 28.68% (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £6,747,747 (2022: £5,637,775).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension Scheme website](#).

Notes to the financial statements 31 August 2023

21 Pension and similar obligations (continued)

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

Local Government Pension Schemes (LGPS)

The LGPS are funded multi-employer defined benefit pension schemes, with the assets held in separate trustee-administered funds. The Trust participates in the following LGPSs:

Academy	Scheme
City of London Academy Southwark	City of London Corporation Pension Fund
Galleywall Primary School	London Borough of Southwark Pension Fund
City of London Academy Highbury Grove	Islington Council Pension Fund
City of London Academy Highgate Hill	Islington Council Pension Fund
Newham Collegiate Sixth Form,	London Borough of Newham Pension Fund
City of London Primary Academy Islington	Islington Council Pension Fund
Redriff Primary School	London Borough of Southwark Pension Fund
City of London Academy Shoreditch Park	London Borough of Hackney Pension Fund
The City Academy, Hackney	London Borough of Hackney Pension Fund
City of London Academy Islington	Islington Council Pension Fund
Central MAT team	City of London Corporation Pension Fund

The total employer contribution made by all schools for the year ended 31 August 2023 was £1,989,087 (2022: £1,754,875). The agreed rates of contribution for future years range between 13.1% and 19.5% for employer and 5.5% and 9.9% for employees.

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

The principal assumptions used in determining the valuations vary across each of the different pension schemes. The ranges of assumptions used are provided below.

Principal actuarial assumptions %	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	3.45-4.30%	3.35-4.40
Rate of increase for pensions in payment / inflation	2.60-2.95%	2.70-3.05
Discount rate for scheme liabilities	5.10-5.40%	4.10-4.30
Inflation assumption (CPI)	2.60-2.95%	2.70-3.05

Notes to the financial statements 31 August 2023

21 Pension and similar obligations (continued)

Local Government Pension Schemes (LGPS) (continued)

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

	At 31 August 2023	At 31 August 2022
Mortality assumptions		
<i>Retiring today</i>		
Males	19.6-21.4	20.7-22.7
Females	21.9-23.8	23.6-25.3
<i>Retiring in 20 years</i>		
Males	21.5-22.4	22.5-24.1
Females	24.5-25.8	25.4-27.1
	At 31 August 2023	At 31 August 2022
Sensitivity analysis – net increase in liability	£'000	£'000
0.1% decrease in discount rate	536	617
0.1% increase in salary increase rate	100	53
0.1% increase in pension increase rate	577	603
1-year increase in mortality assumption	591	638

The Trust's share of the assets in the scheme were:

	Fair value at 31 August 2023 £'000	Fair value at 31 August 2022 £'000
Asset allocation		
Equities	20,274	17,040
Bonds	3,116	2,635
Property	4,850	4,769
Cash	370	1,835
Other	5,860	5,102
Total market value of assets	34,469	31,381
Present value of scheme liabilities		
- Funded	(35,200)	(35,539)
Deficit in the scheme	(731)	(4,158)

Notes to the financial statements 31 August 2023

21 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

	2023 £'000	2022 £'000
Amounts recognised in statement of financial activities		
Current service cost	2,421	3,550
Administrative expenses	43	44
Net interest cost	97	443
Total operating charge	2,561	4,037
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	1,373	527
Interest on pension liabilities	(1,470)	(970)
Pension finance income/(costs)	(97)	(443)

The overall movements in the net pension liability is reconciled as follows:

	Total 2023 £'000	Total 2022 £'000
At 1 September 2022	4,158	26,423
Current service cost	2,822	5,276
Administration cost	43	44
Employer contributions	(1,978)	(1,729)
Interest cost	1,470	970
Interest income	(1,373)	(527)
Actuarial (gain)/loss	(4,411)	(26,299)
At 31 August 2023	731	4,158

	2023 £'000	2022 £'000
Changes in the present value of defined benefit obligations:		
At 1 September 2022	35,539	56,698
Current service cost	2,421	5,289
Interest cost	1,470	970
Employee contributions	686	624
Actuarial (gain)/loss	(6,894)	(27,555)
Actuarial (gain)/loss not recognised	2,681	1,106
Benefits paid	(703)	(487)
At 31 August 2023	35,200	35,539

Notes to the financial statements 31 August 2023

21 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

	2023 £'000	2022 £'000
Changes in the fair value of the Trust's share of scheme assets:		
At 1 September 2022	31,381	30,275
Interest income	1,373	527
Actuarial (loss)/gain	(203)	(1,256)
Employer contributions	1,978	1,729
Employee contributions	686	624
Administration costs	(43)	(31)
Benefits paid	(703)	(487)
At 31 August 2023	34,469	31,381

22 Contingent liabilities

Funding agreement

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Trust is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State. Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Trust serving notice, the Trust shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Trust's site and premises and other assets held for the purpose of the Trust; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

23 Related party transactions

Owing to the nature of the Trust's operation and the composition of the board of Trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length, in accordance with the Trust's own financial regulations and in accordance with the requirements of the Academy Trust Handbook.

The City of London Corporation is the Trust's sponsor. During the year ended 31 August 2023, the Corporation awarded grants and donations to the Trust totalling £2,113,339 (2022 £1,626,846). As at 31 August 2023 balances totalling £1,640,476 were held in deferred income in respect of such transactions (2022 £1,536,939). The Trust also recharged the Corporation £nil for a school uniform costs (2022 £85).

Notes to the financial statements 31 August 2023

23 Related party transactions (continued)

In the year ended 31 August 2023 the Trust paid the City of London Corporation £10,360 for legal advice and occupational health services (2022 £6,411), £18,957 for peripatetic music lessons (2022 £19,544), £2,000 for conference catering (2022 £nil) and £461.82 for IT equipment repairs. In the prior year the Trust paid the Corporation £30 for attendance at a poetry workshop. As at 31 August 2023 £nil was outstanding (2022 - £nil) regarding these transactions.

The Corporation also provided the following services and facilities free of charge to the central MAT function of the Trust:

- Legal support and advice'
- Clerking services;
- Office space, IT equipment and IT support and IT services;
- Telephone;
- Printing; and
- Meeting rooms.

The Museum of London is jointly governed by the Greater London Authority and the City of London Corporation, during the year the Trust charged the Museum of London £300 for trips funding (2022 300) and £nil for staff expenses (2022 £160 for staff training). The Barbican Centre is a department of the City of London Corporation, during the year the Trust charged the Barbican Centre £2,400 for a workshop and £67.76 towards books at one of the Trust schools.

All services provided by related parties have been provided at no more than cost. Any recharges for staff costs are at no more than cost to include gross salary, national insurance and employer pension contributions.

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