

Registered number: 07694080

**The Cheadle Academy**

**Trustees' Report and Financial Statements**

**For the Year Ended 31 August 2023**



**DAINS**  
ACCOUNTANTS

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Contents**

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	Page
<b>Reference and Administrative Details</b>	1
<b>Trustees' Report</b>	2 - 17
<b>Governance Statement</b>	18 - 24
<b>Statement of Regularity, Propriety and Compliance</b>	25
<b>Statement of Trustees' Responsibilities</b>	26
<b>Independent Auditors' Report on the Financial Statements</b>	27 - 30
<b>Independent Reporting Accountant's Report on Regularity</b>	31 - 32
<b>Statement of Financial Activities Incorporating Income and Expenditure Account</b>	33
<b>Balance Sheet</b>	34 - 35
<b>Statement of Cash Flows</b>	36
<b>Notes to the Financial Statements</b>	37 - 64

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Reference and Administrative Details**

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<b>Members</b>	Mrs I Welford Mr J Ely Mrs J Hadley Ms F Tordoff
<b>Trustees</b>	Mrs I Welford, Chair, Community Governor Mrs C Bullock, Community Governor Miss C Doel, Community Governor Mr C Hadley, Staff Governor Mr A Harding, Staff Governor Mr B Adamson, Governor Mr I Walford, Governor (resigned 14 September 2022) Mr N Jamieson, Principal and Accounting Officer Ms S Barker, Governor (appointed 5 May 2023) Mrs S Smith, Governor
<b>Company registered number</b>	07694080
<b>Company name</b>	The Cheadle Academy
<b>Principal and registered office</b>	The Cheadle Academy Station Road Cheadle Staffordshire ST10 1LH
<b>Company secretary</b>	Mrs S Atkinson
<b>Senior management team</b>	Mr N Jamieson, Principal and Accounting Officer Dr C Adams, Vice Principal Mrs N Slack, Assistant Principal (Vice Principal from 1 September 2023) Mr C Hadley, Associate Assistant Principal Mrs L Coles, Associate Assistant Principal Mrs S Atkinson, Business Manager
<b>Independent auditors</b>	Dains Audit Limited Statutory Auditor Suite 2, Albion House 2 Etruria Office Village Forge Lane Stoke on Trent Staffordshire ST1 5RQ
<b>Solicitors</b>	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report**  
**For the Year Ended 31 August 2023**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report and strategic report under company law.

**Structure, governance and management**

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**Constitution**

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy.

Cheadle High School converted to academy status on 1 August 2011. A Funding Agreement with the Secretary of State was signed on 14 April 2011 and the Charitable Company was incorporated at Companies House on 5 July 2011.

The Trustees of The Cheadle Academy are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Cheadle Academy .

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

**Members' liability**

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

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

The Members may appoint up to eight Governors. Staff Governors must not exceed one third of the total number of Governors and may be elected through a process determined by the Members. The Local Authority may appoint one Governor. Parent Governors must have a child attending the academy when they are elected and shall be elected by the parents. The Governors can appoint up to three co opted Governors.

**Policies adopted for the induction and training of Trustees**

The training and induction provided for new Governors will depend on their existing experience. This will be conducted by the Principal and the Business Manager. Where necessary, induction will provide training on charity and educational, legal and financial matters. All new Governors will be given a tour of the academy and the chance to meet with staff and students. All Governors are provided, at an appropriate time, with copies of The Governors handbook, policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be tailored specifically to the individual.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

**Organisational structure**

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by the use of budgets and making major decisions about the direction of the academy, capital expenditure and staff appointments.

The Governing Body should exercise its powers and functions with a view to fulfilling a largely strategic leadership role in the running of the academy, addressing such matters as:

- Policy development and strategic planning, including target setting to keep up momentum on school improvement
- Ensuring sound management and administration of the academy, and ensuring that managers are equipped with relevant skills and guidance
- Ensuring compliance with legal requirements
- Establishing and maintaining a transparent system of prudent and effective internal controls. Management of the academy's financial, human and other resources (in particular control over the spending identified in the academy's development plan)
- Monitoring performance and the achievement of objectives, and ensuring that plans for improvement are acted upon
- Helping the academy be responsive to the needs of parents and the community and making it more accountable through consultation and reporting
- Setting the academy's standards of conduct and values
- Assessing and managing risk

The Senior Leaders for 2022/23 were the Principal, Vice Principal, three Assistant Principals and the Business Manager. These leaders control the academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff, although appointment panels always contain a Governor. Some spending control is devolved to members of the Management Team, with limits above which a Senior Leader must countersign.

The Management Team includes the Senior Leadership Team, Subject Leaders and Key Stage Leaders. These managers are responsible for the day to day operation of the academy, in particular organising the teaching staff, facilities and students

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

The Pay Committee of the Board is responsible for the setting of the pay and remuneration of key management personnel following a successful appraisal. The Principal's performance management is carried out by an independent professional person which is reported to the committee for consideration. There is an appeals process in place.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

**. Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

**Percentage of time spent on facility time**

<b>Percentage of time</b>	<b>Number of employees</b>
0%	2
1%-50%	-
51%-99%	-
100%	-

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

	<b>£</b>	
Total cost of facility time	-	
Total pay bill	2,637,983	
Percentage of total pay bill spent on facility time	-	%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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**Related parties and other connected charities and organisations**

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

No related party transactions have occurred with any individual or organisation other than those disclosed in note 25 of this report.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Objectives and activities**

**Objects and aims**

The principal object and activity of the company is the operation of The Cheadle Academy to advance, for the public benefit, education for students of different abilities between the ages of 11 and 19.

The Governors confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the academy's aims and objectives.

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

The main objectives of the academy during the period ended 31 August 2023 are summarised below. The Cheadle Academy seeks to ensure that all students aim to maximise their attainment by:

- Developing a culture based on high expectations for both academic success and behaviour that supports learning
- Creating a set of values and norms which every member of the academy community must espouse and uphold
- Maximising the use of teaching time, for example, by cutting out the minutes that are wasted by low level disruption and poor lesson transitions
- Focussing on the basics particularly literacy and numeracy
- Achieving high levels of consistency; our pedagogy, classroom routines and behaviour policies are apparent throughout the academy
- Seeking to reward effort as well as achievement
- Celebrating and developing resilience
- Systematically cultivating aspiration through the use of visits and role models

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Objectives and activities (continued)**

**Objectives, strategies and activities**

Key objectives from the 2022/23 School Improvement Plan were:

**Quality of Education**

- To ensure that assessment is used well to check understanding and inform teaching.
- To develop and evaluate approaches to learning that help students to develop understanding by connecting new knowledge with existing knowledge.

**Intervention**

- To ensure all teaching staff use data effectively to implement high quality intervention mechanisms to support student progress
- To ensure targeted student groups (including pupil premium) receive appropriate forms of intervention through School Led Tutoring and other external bodies.

**Behaviour and Attitudes**

- To ensure a whole school ethos and culture to RSHE across the academy, through effective delivery of PSHE and other enrichment opportunities to support the health and wellbeing of our students.
- To ensure behaviour for learning mechanisms are maintained to support student progress.
- To improve whole school attendance.

**SEND & Inclusion**

- To use intervention tracking mechanisms and IEP's to effectively deliver personalised classroom learning for SEND students.
- To maximise the impact of the SEND team on pupil outcomes through high quality intervention programmes
- To further develop and enhance the welfare and inclusion provisions to maintain high quality and inclusive support for targeted students.

**Leadership and Management**

- To ensure all QA systems are robust, targeted and outcome driven to support continued academy improvement
- To continue the process with The Cheadle Academy joining The Moorlands Primary Federation.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Objectives and activities (continued)**

**Public benefit**

The Governors have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission in defining the strategic direction of the academy.

There have been a significant number of activities undertaken by the academy trust during the relevant financial period to further its charitable purposes for the public benefit. We feel that we make an outstanding contribution to community cohesion. The academy seeks at all times to involve the academy workforce and student body in the promotion of community cohesion.

We are using the curriculum teaching and learning techniques as a tool for building community cohesion. Within the taught curriculum our students learn about national, regional, ethnic and religious cultures, the connections between them and between the UK and the wider world and they explore the concept of community cohesion and the different forces that bring about change in communities over time. Examples of this include: opportunities across the curriculum to promote shared values and help students to value difference and challenge prejudice, discrimination and stereotyping. Underpinned by strong local partnerships, multicultural elements of the curriculum are delivered through the Arts and by very strong links with local schools and our global links. Our Citizenship work addresses the strand "Identity and Diversity: Living Together in the UK". We also have a full programme of fieldwork visits, which enrich students' understanding of community and diversity, for example, geography students study the different socio economic characteristics of residential areas. We have links with places of worship in the locality. We provide support for students for whom English is an additional language; we seek to remove barriers to effective learning and enable students to be integrated so that they can achieve the highest possible standards. We hold assemblies that involve the local and wider community. We raise significant amounts of money and/or gifts for diverse organisations – for example, Race for Life. Our comprehensive use of data enables us to identify and tackle underperformance and we have effective policies and procedures in place to deal with discrimination, bullying and harassment; it is not tolerated.

We continuously support the Armistice Day celebrations, commemorating the First World War in a Concert of Commemoration.

We have worked hard to develop good partnership activities with parents and the wider community. The shared use of our facilities provides a means for our students to interact, as do the numerous opportunities for meaningful intercultural activities such as sport, drama, music, festivals, volunteering activities and trips.

- A massive programme of links through our extensive out of school learning programmes and work based learning opportunities
- Through our Arts we are linked to the local Arts Council.
- We place dozens of students per year in voluntary community based activities such as fire fighters, nurseries, Wildlife Trust, animal charities and the local footpaths group.
- We work closely with the police and Community Police Officers, PCT and religious groups in the town
- We have a large programme of lettings Sports Clubs, Music, Art, Performing Arts
- Trips with the specialist subjects to art galleries, media events, theatres in Derby, Stratford and Stoke, music concerts and dance festivals
- Provision of targeted advice and support to all of the groups on our student body, Oxbridge visits, visits to Russell Group universities, borderline students parents' evenings, Key Stage Leaders, IAG for all students
- We participate in the town's Arts Festivals

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Objectives and activities (continued)**

The Cheadle Academy teaches students in the 11 – 19 age range. The academy is located in a town that, like similar towns, suffered from rapid deindustrialisation during the last century. Cheadle itself is a former mining town with a population of 15,000. The town is undergoing a significant period of deindustrialisation and restructuring of local employment opportunities. Mining and skilled engineering employment has disappeared to be replaced by logistics, retail, leisure (mainly casual jobs at Alton Towers) and engineering at JCB (mainly temporary assembling contracts nowadays). There is a tradition of seasonal work in the area. The catchment area of the academy is both rural and urban in nature covering the town of Cheadle and villages such as Tean, Kingsley and Oakamoor.

Students are admitted by adhering to the academy's Admissions Policy. Students are admitted in the following order:

- a) Students whose statutory statement of special needs names The Cheadle Academy as the most appropriate mainstream school.
- b) Students living in the catchment area of The Cheadle Academy
- c) Students who have an elder sibling at The Cheadle Academy who will still be attending the school on the proposed admission date
- d) Students who attend the named catchment schools
- e) Medical/Hardship grounds. Other students are arranged in order of priority according to how near their home addresses are from the academy by the shortest walking route as measured by the Geographical Information Systems.

Following on from the Academy's inspection in May 2019, the academy was given an Ofsted rating of Good across all aspects of the academy work. The academy has continued to make progress with the continuation of narrowing the gap and continuing to prepare the academy for a revised curriculum offer along with meeting the requirements of the new Ofsted framework.

**Strategic report**

**Achievements and performance**

**Key performance indicators**

The academy is committed to observing the importance of performance indicators, to ensure that it continues to strive for both educational and financial excellence.

After a Full Ofsted Inspection in May 2019, Ofsted concluded that the academy was Good in all aspects of its work. The key findings of the inspection were

Effectiveness of Leadership and Management	Good 2
Quality of teaching, learning and assessment	Good 2
Personal development, behaviour and welfare	Good 2
Outcomes for pupils	Good 2
16 to 19 study programmes	Good 2

The academy has a PAN of 160 students and currently admits between 83 and 115 students into a cohort.

The academy is also monitored through the completion and submission of the ESFA August Accounts Return.

The internal scrutiny annual report prepared by Entrust School Finance Service only noted one low priority issue in the year.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**Going concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

**Financial review**

**Financial risk management objectives and policies**

The academy's financial objectives are:

- To achieve an annual operating surplus
- To pursue alternative sources of funding, on a selective basis, consistent with the academy's core competencies, and the need for a financial contribution to the academy's overall finances
- To generate sufficient levels of income to support the asset base of the academy
- To further improve the academy's shorter term liquidity
- To fund continued capital investment

Most of the academy's income is obtained from the Education Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The analysis of the specific grants received can be seen in note 4 to the financial statements

**Reserves Policy**

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

During the year ended 31 August 2023, in order to achieve its financial objectives the academy aimed to:

- Achieve an annual operating surplus
- Pursue alternative sources of funding, on a selective basis, consistent with the academy's core competencies, and the need for a financial contribution to the academy's overall finances
- Generate sufficient levels of income to support the asset base of the academy – this was achieved.
- Further improve the academy's shorter term liquidity. This was achieved by implementing a comprehensive systems of financial controls

During the year ended 31 August 2023, total resources expended (excluding restricted fixed asset funds) of £3,405,073 (2022: £3,314,455) and were covered by recurrent grant funding from the ESFA together with other incoming resources. The academy made a surplus of £75,580 during the year (excluding the defined benefit pension scheme adjustments and restricted fixed asset funds). The academy utilised £38,264 of this surplus to fund additional fixed assets additions during the year, leading to an increase in operational reserves of £37,316 during the year.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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The Local Government Pension Scheme (LGPS) deficit at the 31 August 2023 had decreased to £409,000 . The agreed contribution rates for future years are 22.2% for employers and between 5.5% and 12.5% for employees.

At 31 August 2023, the net book value of fixed assets was £7,706,477 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the academy.

The Governors review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The academy held fund balances at 31 August 2023 of £7,666,817 comprising £145,310 of restricted funds, £222,611 of unrestricted general funds, restricted fixed asset funds of £7,706,477 and a pension reserve deficit of £409,000.

**Investment policy**

Investments are made in compliance with the academy's Investment Policy. The Governors seek to invest surplus funds in a manner to obtain the best possible return and these are invested with reputable and ethical investors. The aim of the Investment Policy is to maximise returns in order to increase the resources available to our staff so that we can achieve our aim of increasing academic standards.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Principal risks and uncertainties**

The Trustees have assessed the major risks to which the Academy is exposed, in particular those related to the operations and finances of the Academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. A risk register has been produced and is reviewed; annually by the governing body. The register includes risks in relation to financial risk, compliance risk, operational risk and strategic risk.

The academy has undertaken further work during the period to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the academy's assets and reputation.

Based on its mission, the Governors and Senior Leadership Team undertake a termly comprehensive review of the risks to which the academy is exposed. They identify systems and procedures, including specific preventable actions which should mitigate any potential impact on the academy. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Governors and Senior Leadership Team will also consider any risks which may arise as a result of any new area of work being undertaken by the academy.

The Risk Management Strategy aims to ensure that the academy complies with risk management best practice and with the requirements of both the Turnbull Guidance and the HM Treasury guidance contained in publication "Management of Risk – Principles and Concepts". At The Cheadle Academy risk management is embedded in our ongoing risk management processes. This will enable us to succeed in our aim which is to achieve an acceptable level of comfort using the available resource and for the Board to be able to report sound arrangements in annual accounts.

The current processes and responsibilities for risk management in The Cheadle Academy can be summarised as:

- The Governing Body acknowledges responsibility for the system of internal control
- An ongoing process is in place for identifying, evaluating and managing all significant risks
- An annual process is in place for reviewing the effectiveness of the system of internal control
- There is a system in place to deal with internal control aspects of any significant issues disclosed in the annual report and accounts

In assessing what constitutes a sound system of internal control the Governing Body gives consideration to:

- The nature and extent of the risks facing the academy
- The extent and categories of risk which it regards as acceptable
- The likelihood of the risks concerned materialising
- The academy's ability to reduce the incidence and impact of the risks that do materialise

The objectives for managing risk across the academy are:

- To comply with risk management best practice, including the Turnbull guidelines
- To ensure risks facing the academy are identified and appropriately documented
- To provide assurance to the Governing Body that risks are being adequately controlled, or identify area for improvement
- To ensure action is taken appropriately in relation to accepting, mitigating, avoiding and transferring risks

The academy's Risk Management strategy aims to:

- Outline the roles and responsibilities for risk management
- Identify risk management processes to ensure that all risks are appropriately identified, controlled and monitored
- Ensure appropriate levels of awareness throughout the academy

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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The Principal has overall responsibility for risk management. The Business Manager has lead responsibility for risk management processes and the academy wide Risk Register. This responsibility includes:

- Monitoring the performance of risk management processes
- Ensuring that appropriate controls are in place to manage identified risks
- Preparation of periodic reports to the Full Governing Body

The Risk Register is formally reviewed each half term by the Business Manager and the Principal. A Risk Management Plan is submitted termly to the Finance, HR & Health and Safety Committee. The Risk Management Plan is monitored by the Finance, HR & Health and Safety Committee and forms part of that Committee's report to the Full Governing Body.

The approach to risk management is linked to the academy's strategic aims and objectives. These have been set and agreed with the Full Governing Body and can be summarised, in our context, as:

- High achievement and high value added
- Outstanding leadership and management
- Outstanding infrastructure
- Financial efficiency and excellent value for money
- Inspiring and supportive culture
- Strong community and stakeholder partnerships

The structure and organisation of the academy's Risk Register follows the above structure to ensure that all significant objectives and activities have been identified and the risks associated with each area have been identified.

The Cheadle Academy Intervention Strategy is compiled within the compass of the 'risk cycle' as identified within the Risk Register.

The academy's Intervention Strategy is designed to complement our Risk Strategy which is premised around the framework of Risk Management

- Risk governance – sets the tone and culture
- Risk assessment – to identify new and changing risk landscape
- Risk quantification and aggregation – enables prioritisation
- Monitoring and reporting – of performance
- Risk and control optimisation – framework of controls to optimise cost / benefit

For the purposes of this Intervention Strategy the academy will define its Operational Risk Appetite (ORA) as "the amount and type of risk that the academy is prepared to seek, accept or tolerate". The academy has adopted a robust risk management framework and Intervention Strategy. We are seeking to put in place a holistic risk management approach across the organisation. The challenge is how to make incremental improvements that have high value but low impact.

We recognise that an element of risk (innovation) is good for the further development of the institution but understand that the risk needs to be properly controlled and regulated. In simple terms, expressing ORA is a question of defining what is acceptable to the academy and what is not. This will be achieved within both the Risk Management and Intervention Strategies by deciding, for each type of risk, what is acceptable, what is unacceptable, and the parameters of the area between those two i.e. what is tolerable.

In order to ensure effective monitoring and governance, the risk appetite, and attendant intervention strategies, will incorporate a balanced mix of both quantitative and qualitative measures.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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Quantitative Measures – income, expenditure, student numbers

Qualitative Measures – reputation, press relations, management effort

This approach will be applied across the full range of operational risk framework components (including risk and control self assessment and scenario analysis) and will provide us with a clear indication of proportional response to the perceived materiality of the associated risk. Specifying a timeframe for resolution will emphasise the perceived urgency and significance of the underlying issue. This will promote a consistent understanding, of risk, across the academy.

From the perspective of The Cheadle Academy as a business there are a number of benefits to be accrued by defining ORA and our intervention strategies as this will:

- Enable the Governing Body to exercise appropriate oversight and corporate governance by defining the nature and level of risks it considers acceptable (and unacceptable) and thus setting boundaries for future activities and behaviours.
- Provide a means of expressing the Senior Leadership Team's attitude to risk, which can then be communicated throughout the academy as part of promoting a risk aware culture.
- Establish a framework for decision making (which risks can be accepted/retained, which risks should be mitigated and by how much) which ensures an appropriate balance between being risk seeking and risk averse.
- Improve the allocation of risk management resources by bringing focus to higher priority issues.
- Ensure an enhanced view of risk expenditure so that the costs of risk do not exceed the benefits.
- Align strategic goals and operational activities through optimising the balance between the development of the academy and the related risks inherent in pursuing those goals. This will enable the strategy to be put into effect.
- Encourage more conscious and effective risk management practices.

**Government funding**

The academy has considerable reliance on continued government funding through the ESFA. In 2022/23, the majority of the academy's revenue was ultimately public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements
- By ensuring the academy is rigorous in delivering high quality education and training
- Considerable focus and investment is placed on maintaining and managing key relationships with the ESFA

**Maintain adequate funding of pension liabilities**

The financial statements report the share of the Local Government Pension Scheme deficit on the academy's balance sheet in line with the requirements of FRS 102. The details of the deficit and contribution rates for future years have been outlined in the Financial Review.

The Governors believe that resources are deployed efficiently and effectively providing good value for money.

Evidence to support this belief includes:

- Outcomes for groups and individuals show a three year trend of improvement; we are improving our ability to deploy resources to achieve positive outcomes for all groups of students
- The good overall condition of the site and buildings
- The programme of buildings refurbishment undertaken as part of a detailed Asset Management Plan agreed with the Local Authority and funded partially by successful bids to the ESFA
- The increasing level of investment in equipment and resources

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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Strengths of leadership and management in providing value for money include:

- Adherence to DfE financial standards and passing the Financial Standards assessment each year
- Our Business Manager is a member of SLT to provide a link between our financial processes and our ability to ensure that learning resources are sufficient to meet the demands of the curriculum and its organisation

Adherence to Best Value principles in contracting

Further evidence of effective leadership of financial activity includes:

- Significant investment in learning resources
- The academy has maintained a balanced budget for many years
- Favourable audit report
- Documented processes of budget allocation

Our planning for improvement aims to ensure that the human and physical resources of the academy are adequate and able to support our priorities. In procedural and structural terms strengths include:

- The inclusion of responsibilities within the SLT for selfreview, standards, finance, e learning and staff development.
- Significant investment in a programme of staff learning. The academy is a professional learning community.
- The allocation of additional funding to all departments from the Specialist School development budget; departments have to build this capital spending into their Development Plan and provide evidence of outcomes
- Allocation of capitation follows a set formula.
- Teachers staffing expenditure as the highest percentage area of the budget is closely monitored.

### **Fundraising**

The Cheadle Academy fundraises through non uniform days, cake sales and raffles. We participate in fundraising events like Sports Relief, Race for Life where funds are raised by sporting activities and donations. All funds collected are recorded in our accounts. We have received no fundraising complaints.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Plans for future periods**

The academy will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students get jobs or a place in Higher Education once they leave. The academy will also attempt to increase its recruitment up to the PAN, accepting transfers from other schools and academies into all years where possible.

The academy aims in the future to provide the opportunity for arts education to a greater number of students. To achieve this we draw up a community development plan, based on an identification and analysis of need. The plan's aim is to establish ways to benefit the wider community (from links with mainly local secondary and primary schools) and direct access to the academy's facilities, curricular materials and the expertise of The Cheadle Academy staff.

The key aims and key objectives of the academy in the immediate short term are:

- Continue to improve progress and achievement for all students with particular focus at KS4 on Progress 8, Attainment 8, Ebacc and English and Maths at GCSE
- Reduction of in Academy variation in students' progress across all groups but paying particular attention to vulnerable groups and SEND students.
- To further develop students' capacity to become independent learners, especially boys
- To further develop strategies which encourage respect for other people and cultures and which promote community cohesion
- Develop monitoring and coaching systems to enhance further the role of teachers and tutors to support learning
- To continue to develop pedagogy and AFL
- To further develop and embed effective assessment across all subjects especially APP and AFL across all subjects
- Further develop the role of Middle Leaders with regards to improving the progress made by students, defining alternative curriculum direction, learning & teaching and behaviour. Further increase the breadth and range of curricular and extracurricular opportunity to better meet the needs of the total student body in order to facilitate participation, progression and high achievement in light of 'Raising the participation' age
- Develop community links and marketing strategies to increase the numbers on roll
- Ensure the careful management of the budget to provide value for money

These will be achieved by the rigorous Quality Assurance of the School Improvement Plan.

Leadership and management are effective. There is an emphasis on distributed and connected leadership using a robust line management system and staff are given responsibility for identifying issues and providing solutions but are also responsible for outcomes. The Senior Leadership Team, focus their work on Academy improvement and strategic developments. We also have additional capacity created by the leadership arrangement and the Extended Leadership Group that includes senior staff and Governors. The current leadership structure has benefited The Cheadle Academy in a number of significant ways:

- Increased status and influence for the academy, working in partnership at local, regional and national level
  - A strengthened role for the Governors in the strategic planning within the school
  - A strengthened role, and career progression, for key non teaching staff in the leadership and management of the academy
  - A powerful learning opportunity for some teaching staff
  - Career progression and important professional development with the creation of a new structure throughout the academy for both teaching and support staff
  - It promotes a broader perspective within our leadership teams giving them the chance to work across two schools
  - It has strengthened strategic and operational roles for staff at all levels
  - It has increased contact with the pyramid and has strengthened collaboration
-

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Plans for future periods (continued)**

- Strengthens internal system of self review driving up standards still further
- Allows us to work with, manage and search out change
- Allows the academy to distribute leadership and power, and improve teamwork and morale as a way of sharing vision and values
- Creates additional capacity for lesson observation and self review
- Allows SLT to pay extra attention to communication
- Focus on vision and strategy so that we get strategy and policy right

**Funds held as custodian on behalf of others**

No funds are held on behalf of others.

**Employee involvement and employment of the disabled**

The academy is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, ability, class and age. We strive vigorously to remove conditions which place people at a disadvantage and we will actively combat bigotry. This policy will be resourced, implemented and monitored on a planned basis.

The academy's Equality Statement is published on its website.

The academy considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the academy continues. The academy's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees. An equalities plan is published each year and monitored by Senior Leaders and Governors.

The academy seeks to achieve the objectives set down in the Equality Act 2010 and the relevant parts of the Disability Discrimination Act 1995 as amended by the Special Education Needs and Disability Acts of 2001 and 2005. As part of its Asset Management Plan the academy updates its access audit. Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to the Community Theatre and the Sports Hall for Cheadle Schools. Any new buildings will be fully compliant with all access legislation.

The policy of the academy is to support recruitment and retention of students and employees with disabilities. The academy does this by adapting the physical environment, by making support resources available and through training and career development. The academy has provided information, advice and arranged support where necessary for students with disabilities.

There is a list of specialist equipment which the academy can make available for use by students and a range of assistive technology is available if required.

The admissions policy for all students is described in the academy charter. Appeals against a decision not to offer a place are dealt with under the Complaints Policy.

The academy has made a significant investment in the appointment of specialist teachers to support students with learning difficulties and/or disabilities. There are a number of Learning Support Assistants who can provide a variety of support for learning. There is a continuing programme of staff development to ensure the provision of a high level of appropriate support for students who have learning difficulties and/or disabilities. Specialist programmes are described in The Cheadle Academy prospectus, and achievements and destinations are recorded.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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The Academy has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Academy's Equal opportunities policy, the Academy has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy's offices.

**Disclosure of information to auditors**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 November 2023 and signed on its behalf by:



**Mrs I Welford**  
Chair of Trustees

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Governance Statement**

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**Scope of responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Cheadle Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year, in some of these meetings the full board sits to fulfil committee requirements as referred to in the trustees report.

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

Trustee	Meetings attended	Out of a possible
Mrs I Welford, Chair, Community Governor	7	7
Mrs C Bullock, Community Governor	7	7
Miss C Doel, Community Governor	6	7
Mr C Hadley, Staff Governor	7	7
Mr A Harding, Staff Governor	7	7
Mr B Adamson, Governor	5	7
Mr I Walford, Governor (resigned 14 September 2022)	0	0
Mr N Jamieson, Principal and Accounting Officer	7	7
Ms S Barker, Governor (appointed 5 May 2023)	2	2
Mrs S Smith, Governor	7	7

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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**Review of value for money**

As accounting officer, the Principal has responsibility for ensuring that the Academy 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 academy received a visit from an SRMA in December 2018 and he reported;

"With being such a small school, the staffing must be planned very carefully, and from working with the headteacher and business manager on this deployment, I can confirm that the planning is excellent."

"With a pupil number reduction of over 30% since becoming an academy, the pressure on staff reductions has been enormous. The academy has worked hard at this and has managed to reduce the Teacher FTE from 42 to 28, a reduction of one third. This has allowed the academy to keep positive reserves and make a surplus in 2018. The costs of restructure have been minimal due to the strategy adopted by the headteacher."

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

**Raising Student Progress**

Performance data is in line with previous years when national data was present when we used TAG.

The academy was successful in the removal of special measures during the academic year of 2018/2019 and is now graded Good across the board.

Robust and targeted tracking of student progress has enabled effective intervention to be incorporated through all class room teaching.

The academy has developed robust tracking systems for monitoring attendance and we are continuing our work towards national levels.

**Closing the Gap**

The Cheadle Academy has developed and fully embedded a student tracking system for individuals that tracks levels of progress from Key Stage 2 through to Post 16. The Cheadle Academy ensures that where possible additional needs of individual students are met and appropriate resources (staff and equipment) are made available such as one to one, support or stretch and challenge for the more able students.

The academy recognises the fact that Pupil Premium students are not a homogeneous group and cover a wide range of needs. As such the strategies we use to raise attainment take these groups and individual needs fully into account. We use high quality teaching and learning as the preferred way to narrow the gaps in attainment in the first instance.

- We also use high quality interventions with proven evidence of impact to assist our students who need additional support in a time limited way.
- We use the Pupil Premium for all year groups, not just those taking examinations at the end of the year.

Our key principles are that achievement for all students, including those from disadvantaged backgrounds, is best fostered in a school with an ethos of high expectations, where high quality teaching and learning is at the heart of all we do. To this end our curriculum is designed and regularly reviewed to ensure it meets the needs of all groups of students so that teaching and learning in the classroom is the main focus for raising achievement for all students.

**Governance Statement (continued)**

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**Review of value for money (continued)**

At the academy we seek to spend our Pupil Premium funding successfully, to improve achievement and close the gap by adopting the following practices

- carefully ring fencing the funding so that it is always spent on the target group of students
- never confusing eligibility for the Pupil Premium with low ability
- focusing on supporting our disadvantaged students to achieve the highest levels
- thoroughly analysing which students are underachieving, particularly in English and mathematics
- use evidence from our experience to allocate the funding to the activities that are most likely to have an impact on improving achievement
- seeking to ensure that all day to day teaching meets the needs of each learner, rather than relying on interventions to compensate for teaching that is less than good
- allocating well trained staff to teach intervention groups to improve mathematics and English
- using achievement data frequently to check whether interventions or techniques are working and making adjustments accordingly, rather than just using the data retrospectively to see if something has worked
- making sure that our support staff, particularly Teaching Assistants, are highly trained and understand their role in helping students to achieve systematically focusing on giving students clear, useful feedback about their work, and ways that they can improve
- we ensure that class and subject teachers know which students are eligible for the Pupil Premium so that they can take responsibility for accelerating their progress
- we have a clear policy on spending the Pupil Premium, agreed by governors and publicised on the academy website, to provide well targeted support to improve attendance, behaviour or links with families where these are barriers to a student's learning
- we have adopted a clear and robust performance management system for all staff, which included discussions about students eligible for the Pupil Premium in performance management meetings
- our Governors are thoroughly involved in the decision making and evaluation process.

**A summary of Pupil Premium Targeted Activities and Support**

Our Pupil Premium income is spent in an integrated and targeted way, to ensure that entitled students receive the opportunity for additional support and access to all learning opportunities including residential activities.

Actions focused on learning in the curriculum directly affect performance in the classroom

- one to one tuition, including NTP
- Intervention Mentors
- small group teaching
- additional in class support
- homework clubs
- special arrangements for monitoring progress
- reduced class sizes
- Teaching Assistants
- peer tutoring/peer assisted learning
- provision of materials/equipment
- reading support
- support for EAL
- purchase of revision guides
- performing arts and other leisure activities
- after school and holiday clubs
- subsidising trips not directly linked to the curriculum.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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**Review of value for money (continued)**

**Investment Strategy**

The academy seeks at all times to obtain value for money. In support of this aim we seek to maximise investment returns. In essence the Academy's Investment Strategy is to:

- Regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the current account has adequate balances to meet forthcoming commitments. In practice a working balance of between £50,000 and £250,000 is likely to be maintained.
- Avoid our current account going overdrawn.
- Identify funds surplus to immediate cash requirements and transfer to The Cheadle Academy Deposit Account bearing a higher interest rate. Funds can be invested for 6 weeks, 3 months, 6 months, 12 months and over 12 months based on medium to long term forecast and financial planning.
- Periodically (at least annually) review interest rates and compare with other investment opportunities. Only invest funds in risk free deposit accounts.

**Better Purchasing**

The academy takes a prudent approach to expenditure. As approximately 80% of the Academy's budget is spent on staffing, the staffing structure is reviewed annually to ensure that it is fit for purpose and can adapt and respond to support the successful attainment of the objectives within the academy's development plan.

Contracts and services are regularly appraised and renegotiated when appropriate to ensure value for money. The academy obtains three quotes for all purchases over £3000 unless there is only a sole supplier available. The tendering process is used for all purchases over £15,000. Budget holders actively look for best value and this is overseen by the Finance Department who have excellent negotiating skills. The academy always assesses the cost and benefits of various options before making a decision to ensure the right option for the longer term.

The academy payroll is maintained by Stoke on Trent City Council, and detailed monthly reconciliations of payroll by the Business Manager ensure that payments to staff are correct, all variances are accounted for and recorded.

The management accounts are reviewed by the Chair of Trustees on a monthly basis

The academy benchmarks financial performance against other academy trusts to demonstrate that the Trust provides good value for money.

**Collaboration**

Collaboration with other schools enables the academy to be a strategic partner through sharing good practice, offering support and working with a variety of schools. We have representation on the Moorlands 14 – 19 planning groups, we are a member of the Moorlands District Inclusion Panel, and we have links with multi ethnic High Schools in Stoke-on-Trent. We also have strong links with the local community, for example, the Town and District Councils, Care Homes and local employers.

In addition, we are a member of The South Moorlands Learning Community of schools; this is a soft federation of schools across two tiers of education in the Staffordshire Moorlands District.

The object of the Collaboration is to enhance the quality of outcomes for the students within our schools, and of the wider community, by working together to:

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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**Review of value for money (continued)**

- *Improve teaching and learning*
- *Provide better quality training opportunities for all staff*
- *Improve outcomes for young people, in Cheadle and the surrounding area, by offering a full range of learning opportunities across the 3 – 19 age range. There will be the chance to develop cross – phase curricular developments and address personalisation, to enhance the quality of teaching and learning, for example, work with Gifted and Talented and Special Needs students*
- *Address more effectively issues relating to families and communities, for example, work with vulnerable families and inclusion*
- *Tackle issues relating to attainment more effectively across the pyramid by, for example, reducing underachievement*
- *Examine the potential to offer joint appointments across the pyramid*
- *Achieve economies of scale in purchasing policy, for example, ICT procurement, ICT technical support, administrative supplies, maintenance work*
- *Achieve savings in planning and administrative time, and developing the potential for pyramid administrative staff who can work with each school*
- *Enhance strategic planning across all phases*
- *Seek to develop a shared sense of identity and a common sense of purpose*
- *Build capacity across all phases*
- *Join together to access extended services*
- *Improve further the transition of students between phases*
- *Provides ICT back up through a service level agreement to our Primary feeder schools*

**Maximising Income Generation**

A proactive approach is taken towards preparing funding bids and generating revenue streams in order to maximise income generation. The academy explores every opportunity to generate income through hire of the academy facilities, such as the Community Theatre and Sports Hall.

A monthly cash flow forecast ensures that all surplus cash balances are invested in interest bearing account to maximise interest earning potential.

**Managing risks**

The academy has a comprehensive Risk Register in place, which is reviewed annually by the Members, Senior Leadership Team and the Strategy and Development Committee of the Governing Body. Risk Reports are presently termly to Governors. The Academy has a Business Continuity and Disaster Recovery Management procedures in place and also has procedures covering the recovery of the financial accounting system. The academy tests these procedures at regular intervals and records areas where the procedures are not sufficiently robust.

**Lessons learned**

Following appraisal of previous strategies, the Trust is continuing to look carefully at staffing costs, the senior staff structure, curriculum design, increasing the number of students on roll and maintaining improved rates of student progress.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Cheadle Academy for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**The risk and control framework**

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

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

The Board of Trustees has decided to employ Entrust School Finance Service as internal auditor.

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

- testing on financial management
- testing on income
- testing on purchases
- testing on debit cards
- testing on imprest accounts
- testing on inventory
- testing on payroll systems

On an annual basis, the reviewer reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The trustees confirm that the review process has been completed within the agreed schedule of work and no significant issues have been noted.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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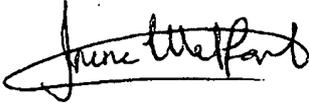
**Review of effectiveness**

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

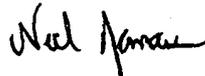
- the work of the internal auditor ;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

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

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



**Mrs I Welford**  
Chair of Trustees  
Date: 15 November 2023



**Mr N Jamieson**  
Accounting Officer

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

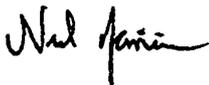
**Statement on Regularity, Propriety and Compliance**

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

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

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



**Mr N Jamieson**  
Accounting Officer  
Date: 15 November 2023

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Statement of Trustees' responsibilities**  
**For the Year Ended 31 August 2023**

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

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

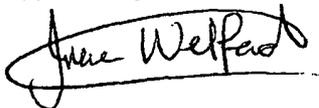
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



**Mrs I Welford**  
Chair of Trustees  
Date: 15 November 2023

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of The Cheadle Academy**

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**Opinion**

We have audited the financial statements of The Cheadle Academy (the 'academy') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**The Cheadle Academy  
(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of The Cheadle Academy  
(continued)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

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

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

**Responsibilities of trustees**

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

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

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of The Cheadle Academy**  
**(continued)**

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**Auditors' 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 Auditors' 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 senior statutory auditor 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 academy through discussions with directors and other management, and from our commercial knowledge and experience of the academy sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the financial reporting legislation, Companies Act 2006, Academies Act 2010, Academies Accounts Direction, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- 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 assessed the susceptibility of the academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- 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;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of The Cheadle Academy**  
**(continued)**

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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;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the academy's legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Use of our report**

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



**Jonathan Dudley (Senior Statutory Auditor)**  
for and on behalf of  
**Dains Audit Limited**

Statutory Auditor  
Chartered Accountants

Suite 2, Albion House  
2 Etruria Office Village  
Forge Lane  
Stoke on Trent  
Staffordshire  
ST1 5RQ

21 November 2023

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to The Cheadle Academy and the Education & Skills Funding Agency**

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In accordance with the terms of our engagement letter dated 23 September 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Cheadle Academy during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Cheadle Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Cheadle Academy's funding agreement with the Secretary of State for Education dated 29 July 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to The Cheadle Academy and the Education & Skills Funding Agency (continued)**

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**Conclusion**

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

*Dains Audit Limited*

**Dains Audit Limited**

Suite 2, Albion House  
2 Etruria Office Village  
Forge Lane  
Stoke on Trent  
Staffordshire  
ST1 5RQ

Date: 21 November 2023

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Statement of financial activities (incorporating income and expenditure account)**  
**For the Year Ended 31 August 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>						
Donations and capital grants	3	-	-	36,829	36,829	12,325
Other trading activities	5	28,463	18,300	-	46,763	42,517
Investments	6	75	-	-	75	65
Charitable activities		-	3,393,815	-	3,393,815	3,159,391
<b>Total income</b>		<b>28,538</b>	<b>3,412,115</b>	<b>36,829</b>	<b>3,477,482</b>	<b>3,214,298</b>
<b>Expenditure on:</b>						
Raising funds		-	73,060	-	73,060	29,320
Charitable activities		-	3,332,013	329,666	3,661,679	3,610,814
<b>Total expenditure</b>	7	<b>-</b>	<b>3,405,073</b>	<b>329,666</b>	<b>3,734,739</b>	<b>3,640,134</b>
<b>Net income/(expenditure)</b>		<b>28,538</b>	<b>7,042</b>	<b>(292,837)</b>	<b>(257,257)</b>	<b>(425,836)</b>
Transfers between funds	16	(7,000)	(31,264)	38,264	-	-
<b>Net movement in funds before other recognised gains</b>		<b>21,538</b>	<b>(24,222)</b>	<b>(254,573)</b>	<b>(257,257)</b>	<b>(425,836)</b>
<b>Other recognised gains:</b>						
Actuarial gains on defined benefit pension schemes	22	-	299,000	-	299,000	1,590,000
<b>Net movement in funds</b>		<b>21,538</b>	<b>274,778</b>	<b>(254,573)</b>	<b>41,743</b>	<b>1,164,164</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		201,073	(538,468)	7,962,469	7,625,074	6,460,910
Net movement in funds		21,538	274,778	(254,573)	41,743	1,164,164
<b>Total funds carried forward</b>		<b>222,611</b>	<b>(263,690)</b>	<b>7,707,896</b>	<b>7,666,817</b>	<b>7,625,074</b>

The notes on pages 37 to 64 form part of these financial statements.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

Registered Number: 07694080

Balance Sheet

As at 31 August 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	7,706,477	7,961,050
		<u>7,706,477</u>	<u>7,961,050</u>
<b>Current assets</b>			
Debtors	14	127,958	104,033
Cash at bank and in hand	20	559,694	661,185
		<u>687,652</u>	<u>765,218</u>
Creditors: amounts falling due within one year	15	(318,312)	(433,194)
		<u>369,340</u>	<u>332,024</u>
<b>Net current assets</b>		<u>369,340</u>	<u>332,024</u>
<b>Total assets less current liabilities</b>		<u>8,075,817</u>	<u>8,293,074</u>
<b>Net assets excluding pension liability</b>		<u>8,075,817</u>	<u>8,293,074</u>
Defined benefit pension scheme liability	22	(409,000)	(668,000)
<b>Total net assets</b>		<u><u>7,666,817</u></u>	<u><u>7,625,074</u></u>
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	16	7,707,896	7,962,469
Restricted income funds	16	145,310	129,532
		<u>7,853,206</u>	<u>8,092,001</u>
Restricted funds excluding pension asset	16	7,853,206	8,092,001
Pension reserve	16	(409,000)	(668,000)
		<u>7,444,206</u>	<u>7,424,001</u>
<b>Total restricted funds</b>	16	<u>7,444,206</u>	<u>7,424,001</u>
<b>Unrestricted income funds</b>	16	<u>222,611</u>	<u>201,073</u>
<b>Total funds</b>		<u><u>7,666,817</u></u>	<u><u>7,625,074</u></u>

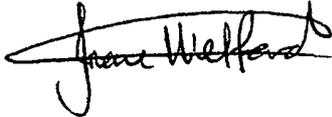
Registered number: 07694080

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Balance Sheet (continued)**  
**As at 31 August 2023**

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The financial statements on pages 33 to 64 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



**Mrs I Welford**  
Chair of Trustees  
Date: 15 November 2023

The notes on pages 37 to 64 form part of these financial statements.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Statement of Cash Flows**  
**For the Year Ended 31 August 2023**

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	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	18	(63,302)	225,096
<b>Cash flows from investing activities</b>	19	(38,189)	35,373
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		(101,491)	260,469
Cash and cash equivalents at the beginning of the year		661,185	400,716
<b>Cash and cash equivalents at the end of the year</b>	20, 21	<hr/> <u>559,694</u>	<hr/> <u>661,185</u>

The notes on pages 37 to 64 form part of these financial statements

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Cheadle Academy meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

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

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. Accounting policies (continued)**

**1.3 Income**

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

• **Grants**

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

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

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

• **Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where 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 year it is receivable and to the extent the Academy has provided the goods or services.

• **Donated goods, facilities and services**

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

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. Accounting policies (continued)**

**1.4 Expenditure**

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

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

**1.6 Tangible fixed assets**

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. Accounting policies (continued)**

**1.6 Tangible fixed assets (continued)**

Depreciation is provided on the following bases:

Long term leasehold land	- 0.8% Straight line
Long-term leasehold property	- 2% Straight line
Building improvements	- 5-10% Straight line
Furniture and fittings	- 25% Straight line
Computer equipment	- 25% Straight line

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

**1.7 Debtors**

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

**1.8 Cash at bank and in hand**

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

**1.9 Liabilities**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

**1.10 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. Accounting policies (continued)**

**1.11 Taxation**

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

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

**1.12 Pensions**

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

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

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

**1.13 Operating leases**

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

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. Accounting policies (continued)**

**1.14 Fund accounting**

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

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

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

The Academy 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.

**Local Government Pension Scheme**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Long-term leasehold land and buildings**

The long term leasehold land and buildings within the accounts relates to the academy premises which were donated to the academy on conversion on a 125 year lease from Staffordshire County Council. The leasehold land and buildings were valued using the ESFA valuation. These are being depreciated in accordance with the depreciation policies set out in note 1. No annual charge is made for the use of the land and buildings under the terms of the lease, based on management not being able to reliably measure the open market rates.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**3. Income from donations and capital grants**

	<b>Restricted fixed asset funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Capital Grants	36,829	36,829	12,325
<b>Total 2022</b>	<b>12,325</b>	<b>12,325</b>	

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**4. Funding for the Academy Trust's educational operations**

	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	2,818,634	2,818,634	2,736,609
Other DfE/ESFA grants			
Pupil premium	124,264	124,264	119,662
16-19 Bursary Funding	2,980	2,980	3,586
Other ESFA grants	109,356	109,356	37,154
Teachers pay grant	-	-	2,561
Teachers pension grant	-	-	7,236
Rates relief	15,953	15,953	16,388
Supplementary grant	82,333	82,333	34,318
	<u>3,153,520</u>	<u>3,153,520</u>	<u>2,957,514</u>
<b>Other Government grants</b>			
Special educational needs	146,301	146,301	117,890
	<u>146,301</u>	<u>146,301</u>	<u>117,890</u>
<b>Other income from the Academy's direct costs</b>	93,994	93,994	65,882
<b>COVID-19 additional funding (non-DfE/ESFA)</b>			
Mass income testing	-	-	18,105
	<u>-</u>	<u>-</u>	<u>18,105</u>
	<u>3,393,815</u>	<u>3,393,815</u>	<u>3,159,391</u>
<b>Total 2023</b>	<u>3,393,815</u>	<u>3,393,815</u>	<u>3,159,391</u>
<b>Total 2022</b>	<u>3,159,391</u>	<u>3,159,391</u>	

The academy received £nil (2022: £18,105) of funding for mass income testing.

\* Supplementary grants is no longer reported within the Other DfE/EFSA grant header, but as a separate line under the DfE/EFSA grant heading. The prior year number has been reclassified.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**5. Income from other trading activities**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Hire of facilities	10,095	18,300	28,395	20,096
Other income	14,468	-	14,468	22,121
Staff consultancy services	3,900	-	3,900	300
	<u>28,463</u>	<u>18,300</u>	<u>46,763</u>	<u>42,517</u>
<b>Total 2022</b>	<u>25,037</u>	<u>17,480</u>	<u>42,517</u>	

**6. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Investment income	75	75	65
	<u>65</u>	<u>65</u>	
<b>Total 2022</b>	<u>65</u>	<u>65</u>	

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**7. Expenditure**

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Expenditure on fundraising trading activities:					
Direct costs	5,770	40,826	26,464	73,060	29,320
Academy's educational operations:					
Direct costs	2,264,590	-	256,889	2,521,479	2,534,710
Support costs	367,623	306,719	465,858	1,140,200	1,076,104
	<u>2,637,983</u>	<u>347,545</u>	<u>749,211</u>	<u>3,734,739</u>	<u>3,640,134</u>
<b>Total 2022</b>	<u>2,622,992</u>	<u>160,843</u>	<u>856,299</u>	<u>3,640,134</u>	

**8. Analysis of expenditure by activities**

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable activities - Educational operations	2,521,479	1,140,200	3,661,679	3,610,814
<b>Total 2022</b>	<u>2,534,710</u>	<u>1,076,104</u>	<u>3,610,814</u>	

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Staff costs	2,264,590	2,275,990
Depreciation	23,742	19,648
Educational supplies	82,826	147,669
Examination Fees	45,777	34,851
Course Fees	6,922	8,022
Other direct costs	95,787	46,118
Recruitment and other staff expenses	1,835	2,412
	<u>2,521,479</u>	<u>2,534,710</u>

**Analysis of support costs**

	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
LGPS finance costs	28,000	35,000
Staff costs	367,623	344,002
Depreciation	305,924	306,031
Catering	39,516	31,842
Technology costs	45,476	41,362
Other costs	43,588	69,391
Maintenance of premises	34,727	40,600
Cleaning and caretaking	2,155	2,735
Rates	10,674	17,565
Security	1,300	751
Energy	149,227	84,579
Legal and professional costs - other	53,801	43,770
Transport	16,843	19,868
Other premises costs	41,346	38,608
	<u>1,140,200</u>	<u>1,076,104</u>

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	27,722	20,669
Depreciation of tangible fixed assets	329,666	325,679
Fees paid to auditors for:		
- audit	9,250	8,050
- other services	3,795	3,450
	<u>9,250</u>	<u>8,050</u>
	<u>3,795</u>	<u>3,450</u>

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	1,981,337	1,839,210
Social security costs	193,545	174,015
Pension costs	358,163	555,931
	<u>2,533,045</u>	<u>2,569,156</u>
Agency staff costs	104,938	53,836
	<u>2,637,983</u>	<u>2,622,992</u>

**b. Staff numbers**

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

	2023 No.	2022 No.
Teachers	24	25
Admin & support	29	32
Management	6	6
	<u>59</u>	<u>63</u>

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**10. Staff (continued)**

**c. Higher paid staff**

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	2	1
In the band £80,001 - £90,000	1	1

**d. Key management personnel**

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £526,492 (2022 - £496,029).

**11. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2023 £	2022 £
Mr N Jamieson, Principal and Accounting Officer	Remuneration	85,000 -	80,000 -
		90,000	85,000
	Pension contributions paid	20,000 -	15,000 -
Mr C Hadley, Staff Governor		25,000	20,000
	Remuneration	55,000 -	50,000 -
		60,000	55,000
Mr A Harding, Staff Governor	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
	Remuneration	50,000 -	45,000 -
		55,000	50,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

**12. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme membership.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**13. Tangible fixed assets**

	Long-term leasehold property £	Furniture and fixtures £	Computer equipment £	Building Improvements £	Total £
<b>Cost or valuation</b>					
At 1 September 2022	7,575,824	19,986	129,966	2,492,835	10,218,611
Additions	-	-	38,546	36,547	75,093
At 31 August 2023	<u>7,575,824</u>	<u>19,986</u>	<u>168,512</u>	<u>2,529,382</u>	<u>10,293,704</u>
<b>Depreciation</b>					
At 1 September 2022	1,570,241	17,489	85,203	584,628	2,257,561
Charge for the year	142,772	1,424	23,742	161,728	329,666
At 31 August 2023	<u>1,713,013</u>	<u>18,913</u>	<u>108,945</u>	<u>746,356</u>	<u>2,587,227</u>
<b>Net book value</b>					
At 31 August 2023	<u>5,862,811</u>	<u>1,073</u>	<u>59,567</u>	<u>1,783,026</u>	<u>7,706,477</u>
At 31 August 2022	<u>6,005,583</u>	<u>2,497</u>	<u>44,763</u>	<u>1,908,207</u>	<u>7,961,050</u>

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**14. Debtors**

	2023 £	2022 £
<b>Due within one year</b>		
Trade debtors	12,624	3,606
VAT recoverable	39,109	37,893
Prepayments and accrued income	76,225	62,534
	<u>127,958</u>	<u>104,033</u>

**15. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Trade creditors	81,047	103,584
Other taxation and social security	45,650	44,442
Other creditors	52,585	168,357
Accruals and deferred income	139,030	116,811
	<u>318,312</u>	<u>433,194</u>
	2023 £	2022 £
Deferred income at 1 September 2022	9,746	23,841
Resources deferred during the year	102,519	9,746
Amounts released from previous periods	(9,746)	(23,841)
	<u>102,519</u>	<u>9,746</u>

At the balance sheet date the academy was holding funds relating to grants for the 2023/24 academic year and trips taking place during 2023/24 academic year.

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**16. Statement of funds**

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Unrestricted funds</b>						
General Funds	201,073	28,538	-	(7,000)	-	222,611
<b>Restricted general funds</b>						
General Annual Grant (GAG)	135,599	2,818,634	(2,739,562)	(60,996)	-	153,675
Educational visits	-	71,262	(71,262)	-	-	-
Pupil premium	-	124,264	(124,264)	-	-	-
16-19 Bursary funding	-	2,980	(2,980)	-	-	-
Other ESFA Grants	-	191,689	(191,689)	-	-	-
Rates relief	-	15,953	(15,953)	-	-	-
Sports Hall for Cheadle Schools	(6,067)	41,032	(73,062)	29,732	-	(8,365)
Other Government grants	-	146,301	(146,301)	-	-	-
Pension reserve	(668,000)	-	(40,000)	-	299,000	(409,000)
	<b>(538,468)</b>	<b>3,412,115</b>	<b>(3,405,073)</b>	<b>(31,264)</b>	<b>299,000</b>	<b>(263,690)</b>

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**16. Statement of funds (continued)**

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Restricted fixed asset funds</b>						
Donation from Local Authority	6,039,627	-	(144,936)	-	-	5,894,691
Academies Capital Maintenance Fund	59,434	-	(34,543)	-	-	24,891
ESFA Income	105,097	36,829	(112,062)	38,264	-	68,128
Condition Improvement fund	1,758,311	-	(38,125)	-	-	1,720,186
	<u>7,962,469</u>	<u>36,829</u>	<u>(329,666)</u>	<u>38,264</u>	<u>-</u>	<u>7,707,896</u>
<b>Total Restricted funds</b>	<u>7,424,001</u>	<u>3,448,944</u>	<u>(3,734,739)</u>	<u>7,000</u>	<u>299,000</u>	<u>7,444,206</u>
<b>Total funds</b>	<u><u>7,625,074</u></u>	<u><u>3,477,482</u></u>	<u><u>(3,734,739)</u></u>	<u><u>-</u></u>	<u><u>299,000</u></u>	<u><u>7,666,817</u></u>

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**16. Statement of funds (continued)**

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

**Unrestricted funds**

The fund represents resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees.

**Restricted funds**

The fund represents grants received for the academy's operational activities and development, restricted trip income, income for the Sports Hall for Cheadle Schools and other restricted income.

**Pension reserve**

This fund represents the academy's share of the pension liability arising on the LGPS pension fund.

**Restricted fixed assets funds**

This fund related to grant funding received from the ESFA to carry out works of the capital nature, donations towards capital in respect of the lecture theatre, the donation of the disabled access work and leasehold land and building from the local authority on a 125 year lease and a small amount of capital expenditure from GAG.

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

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**16. Statement of funds (continued)**

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>						
General Funds	182,971	25,102	-	(7,000)	-	201,073
<b>Restricted general funds</b>						
General Annual Grant (GAG)	87,742	2,736,609	(2,673,216)	(15,536)	-	135,599
Educational visits	4,201	26,404	(30,605)	-	-	-
Pupil premium	-	119,662	(119,662)	-	-	-
16-19 Bursary funding	821	3,586	(4,407)	-	-	-
Other ESFA Grants	-	71,472	(71,472)	-	-	-
Teachers pay grant	-	2,561	(2,561)	-	-	-
Teachers pension grant	-	7,236	(7,236)	-	-	-
Rates relief	-	16,388	(16,388)	-	-	-
Sports Hall for Cheadle Schools	(1,227)	17,480	(29,320)	7,000	-	(6,067)
Other Government grants	165	117,890	(118,055)	-	-	-
Catch up premium	16,950	-	(16,950)	-	-	-
Mass income testing	-	18,105	(18,105)	-	-	-
Other restricted income	-	39,478	(39,478)	-	-	-
Pension reserve	(2,091,000)	-	(167,000)	-	1,590,000	(668,000)
	<b>(1,982,348)</b>	<b>3,176,871</b>	<b>(3,314,455)</b>	<b>(8,536)</b>	<b>1,590,000</b>	<b>(538,468)</b>

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**16. Statement of funds (continued)**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Restricted fixed asset funds</b>						
Donation from Local Authority	6,184,562	-	(144,935)	-	-	6,039,627
Academies Capital Maintenance Fund	117,338	-	(57,904)	-	-	59,434
ESFA Income	112,751	12,325	(28,681)	8,702	-	105,097
Condition Improvement fund	1,845,636	-	(94,159)	6,834	-	1,758,311
	<u>8,260,287</u>	<u>12,325</u>	<u>(325,679)</u>	<u>15,536</u>	<u>-</u>	<u>7,962,469</u>
<b>Total Restricted funds</b>	<u>6,277,939</u>	<u>3,189,196</u>	<u>(3,640,134)</u>	<u>7,000</u>	<u>1,590,000</u>	<u>7,424,001</u>
<b>Total funds</b>	<u><u>6,460,910</u></u>	<u><u>3,214,298</u></u>	<u><u>(3,640,134)</u></u>	<u><u>-</u></u>	<u><u>1,590,000</u></u>	<u><u>7,625,074</u></u>

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	7,706,477	7,706,477
Current assets	438,404	247,829	1,419	687,652
Creditors due within one year	(215,793)	(102,519)	-	(318,312)
Provisions for liabilities and charges	-	(409,000)	-	(409,000)
<b>Total</b>	<u>222,611</u>	<u>(263,690)</u>	<u>7,707,896</u>	<u>7,666,817</u>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	7,961,050	7,961,050
Current assets	201,073	562,726	1,419	765,218
Creditors due within one year	-	(433,194)	-	(433,194)
Provisions for liabilities and charges	-	(668,000)	-	(668,000)
<b>Total</b>	<u>201,073</u>	<u>(538,468)</u>	<u>7,962,469</u>	<u>7,625,074</u>

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(257,257)	(425,836)
<b>Adjustments for:</b>		
Depreciation	329,666	325,679
Capital grants from DfE and other capital income	(36,829)	(12,325)
Defined benefit pension scheme cost less contributions payable	12,000	132,000
Defined benefit pension scheme finance cost	28,000	35,000
(Increase)/decrease in debtors	(23,925)	160,761
(Decrease)/increase in creditors	(114,882)	9,882
Dividends, interest and rents from investments	(75)	(65)
<b>Net cash (used in)/provided by operating activities</b>	<b>(63,302)</b>	<b>225,096</b>

**19. Cash flows from investing activities**

	2023 £	2022 £
Dividends, interest and rents from investments	75	65
Purchase of tangible fixed assets	(75,093)	(152,151)
Capital grants from DfE Group	36,829	187,459
<b>Net cash (used in)/provided by investing activities</b>	<b>(38,189)</b>	<b>35,373</b>

**20. Analysis of cash and cash equivalents**

	2023 £	2022 £
Cash in hand and at bank	559,694	661,185
<b>Total cash and cash equivalents</b>	<b>559,694</b>	<b>661,185</b>

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**21. Analysis of changes in net debt**

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	661,185	(101,491)	559,694
	<u>661,185</u>	<u>(101,491)</u>	<u>559,694</u>

**22. Pension commitments**

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

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

Contributions amounting to £52,106 were payable to the schemes at 31 August 2023 (2022 - £49,165) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**22. Pension commitments (continued)**

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £324,105 (2022 - £297,853).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £159,000 (2022 - £156,000), of which employer's contributions totalled £130,000 (2022 - £127,000) and employees' contributions totalled £29,000 (2022 - £29,000). The agreed contribution rates for future years are 22.5 per cent for employers and 5.5 - 12.5 per cent for employees.

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

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**22. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2023</b>	<b>2022</b>
	%	%
Rate of increase in salaries	3.50	3.60
Rate of increase for pensions in payment/inflation	3.00	3.20
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	3.00	3.20
Commutation of pensions to lump sums - post April 2008	75.00	75.00
Commutation of pensions to lump sums - pre April 2008	50.00	50.00

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

	<b>2023</b>	<b>2022</b>
	Years	Years
Retiring today		
Males	21.0	21.2
Females	23.9	23.8
Retiring in 20 years		
Males	21.5	22.2
Females	25.2	25.5

**Sensitivity analysis**

	<b>2023</b>	<b>2022</b>
	£000	£000
Discount rate +0.1%	(55,000)	(55,000)
Discount rate -0.1%	55,000	55,000
Salary rate +0.1%	7,000	7,000
Salary rate -0.1%	(7,000)	(7,000)
Pension increase rate +0.1%	49,000	49,000
Pension decrease rate -0.1%	(49,000)	(49,000)
1 year increase in member life expectancy	108,000	109,000
1 year decrease in member life expectancy	(108,000)	(109,000)

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**22. Pension commitments (continued)**

**Share of scheme assets**

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	1,538,000	1,480,000
Corporate bonds	528,000	329,000
Property	184,000	185,000
Cash and other liquid assets	46,000	62,000
<b>Total market value of assets</b>	<b>2,296,000</b>	<b>2,056,000</b>

The actual return on scheme assets was £156,832 (2022 - loss on assets of (£59,624)).

The amounts recognised in the Statement of Financial Activities are as follows:

	2023 £	2022 £
Current service cost	(142,000)	(259,000)
Interest income	90,000	34,000
Interest cost	(118,000)	(69,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(170,000)</b>	<b>(294,000)</b>

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

	2023 £	2022 £
<b>At 1 September</b>	<b>2,724,000</b>	<b>4,082,000</b>
Current service cost	142,000	259,000
Interest cost	118,000	69,000
Employee contributions	29,000	29,000
Actuarial gains	(268,000)	(1,672,000)
Benefits paid	(40,000)	(43,000)
<b>At 31 August</b>	<b>2,705,000</b>	<b>2,724,000</b>

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**22. Pension commitments (continued)**

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

	2023 £	2022 £
<b>At 1 September</b>	<b>2,056,000</b>	1,991,000
Return on plan assets (excluding net interest on the net defined pension liability)	90,000	34,000
Actuarial gains/(losses)	31,000	(82,000)
Employer contributions	130,000	127,000
Benefits paid	(40,000)	(43,000)
Employee contributions	29,000	29,000
<b>At 31 August</b>	<b>2,296,000</b>	<b>2,056,000</b>

**23. Operating lease commitments**

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

	2023 £	2022 £
Within 1 year	18,770	24,106
Between 1 and 5 years	13,577	8,296
	<b>32,347</b>	<b>32,402</b>

**24. Members' liability**

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

**The Cheadle Academy**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**25. Related party transactions**

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

C Hadley, son of J Hadley, a member, is employed by the academy trust as a teacher. C Hadley's appointment was made in open competition and J Hadley was not involved in the decision making process regarding appointment. C Hadley is paid within the normal pay scale for his role and received no special treatment as a result of his relationship to a trustee.

A Harding, partner of F Tordoff, a member, is employed by the academy trust as a teacher. A Harding's appointment was made in open competition and F Tordoff was not involved in the decision making process regarding appointment. A Harding is paid within the normal pay scale for her role and received no special treatment as a result of her relationship to a member.

Details of trustees remuneration and expenses can be found in note 11 of these financial statements.