

Company registration number 07935515 (England and Wales)

**CAVENDISH LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**



# CAVENDISH LEARNING TRUST

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# CAVENDISH LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

M Riley (Chair)  
T Stacey  
P Brown  
B Walsh

### Trustees

P Brown  
J Doyle (Resigned 11 October 2023)  
K Robinson (Chair)  
M Hemingway  
N Sternberg  
V Truman  
D Walton  
M Archbould (Vice Chair)

### Senior management team

- Chief Executive Officer D Williams  
- Executive Primary Lead J Mappin  
- Chief Finance Officer (resigned 25 October 2023) L Needham

### Company registration number

07935515 (England and Wales)

### Registered office

Netherthorpe School  
Ralph Road  
Staveley  
Chesterfield  
Derbyshire  
S43 3PU

### Academies operated

Netherthorpe  
Barrow Hill Primary  
Dunston Primary and Nursery  
Whittington Moor Nursery and Infant

### Location

Chesterfield  
Chesterfield  
Chesterfield  
Chesterfield

### Principal

H McVicar  
R Vodden Page  
L Parker  
L Kay

### Independent auditor

Hart Shaw LLP  
Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

### Bankers

Lloyds  
Butt Dyke House  
33 Park Row  
Nottingham  
NG61 6GY

### Solicitors

Knights LLP  
Commercial House  
14 Commercial Street  
Sheffield  
S1 2AT

# CAVENDISH LEARNING TRUST

## 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 period 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates a number of schools in Derbyshire. The Trust has one secondary and three primary schools. Its academies have a combined pupil capacity of 1590 and had a roll of 1569 in the school census on October 2023.

#### **Structure, governance and management**

##### ***a. Constitution***

The Academy Trust 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 Trust.

The Trustees of Cavendish Learning Trust are also the directors of the charitable company for the purposes of company law.

The charitable company operates as Cavendish Learning Trust.

Details of the Trustees who served during the 2022/23 academic year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

The principal objects of the Academy Trust are as follows:

- a. to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy"); and
- b. to promote for the benefit of individuals living in Chesterfield and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

##### ***b. Members' liability***

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

#### **Trustees' Indemnities**

Trustees benefit from indemnity insurance provided by at the Charitable Company's expense via the Risk Protection Arrangement, to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of negligence, default of breach of trust or breach of duty of which they may be legally guilty in relation to the academy trust. Provided that any such insurance shall not be extended to any claim arising from any act or omission which the trustees knew to be in breach of trust or a breach of duty or which was committed by the trustees in reckless disregard to whether it was in breach of trust or a breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the trustees in their capacity as Directors of the Charitable Company. The limit of this indemnity is £10 million in any one year.

# CAVENDISH LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### ***c. Method of recruitment and appointment or election of Trustees***

Subject to Articles 48, 49 and 53, the Academy Trust shall have the following Trustees:

- (a) Up to 7 Member appointed Trustees (currently 4);
- (b) Further co-opted Trustees (currently 3).

The Chief Executive Officer is not a Trustee but attends Trust Board meetings.

The Academy Improvement Boards (local Governance structure) have parent Governors who are appointed by locally held elections and parents of all registered pupils attending the academy have the opportunity to stand and to vote. The Academy Improvement Boards also have staff representatives.

Barrow Hill, Dunston and Whittington Moor Academies have one shared Academy Improvement Board.

The appointment of Board members follows a 4 stage process:

- (1) Individuals who may be suitable to be a Trustees are identified by the Members, Trustees or the Executive Team
- (2) Initial visit is arranged to meet with members of the Trust Board and Executive team
- (3) An application form is required from the candidate;
- (4) The candidate is interviewed by two representatives of the Members (for Member appointed) or Trustees (for co-opted).

The skills audit of the Trust Board is used to support the process of appointing Trustees to ensure that skills gaps are filled. The Trust seeks to appoint an inclusive and diverse Board. There are additional provisions to allow the Secretary of State to appoint Trustees in certain limited circumstances.

The Trust also advertises externally in order to make appointments and has successfully used Academy Ambassadors in the past in order to appoint individuals with the relevant skills and experience to enhance the Trust Board.

#### ***d. Policies adopted for the induction and training of Trustees***

New Board members on appointment receive a Governance handbook that they are expected to read that covers the roles and responsibilities of the Trust Board. They are also required to complete the following activities:

- Read and accept the Trust's Governance Code of Conduct
- Read the DFE Academy Trust Handbook
- Read the DFE Governance Handbook
- Read the Trust's Financial Procedures manual
- Read, understand and enact the 'Nolan Principles of Public Life'
- Read previous minutes of Trust Board and AIB meetings
- Read the CEO reports to gain an understanding of the work of the Trust
- Read information in relation to the schools within the Trust including Ofsted reports, School Improvement Plans and Headteacher/Heads of Academy reports
- Complete training on Safeguarding, Health and Safety, Data Protection, Human Resources and Exclusions

**CAVENDISH LEARNING TRUST**  
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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***e. Organisational Structure***

The Trust Board's role is strategic, acting upon advice from the Chief Executive Officer, who is also the Accounting Officer and the Executive team. The Board set the aims and objectives of the Trust and this is then monitored by the Trust Board or delegated to the Academy Improvement Board through the Scheme of Delegation.

The Board has two sub-committees:

- Finance and Audit Committee
- HR and Remuneration

There are six Trust Board meetings per year, three Finance and Audit meetings, three HR and Remuneration and six Academy Improvement Board meetings. The remit of each of the subcommittees is included in the Trust's Governance Handbook in line with the DfE's Academy Trust and Governance Handbooks.

A clear scheme of delegation is in place that is understood at all levels of Governance.

The Chief Executive Officer is responsible for the following areas:

- Monitoring the Trust budget with support from the Chief Finance Officer.
- Effective implementation Trust policies.
- Oversight of human resources in line with Trust policies.
- Ensuring Health and Safety regulations are adhered to and statutory testing is in place.
- Ensuring that the curriculum statutory requirements are in place with support of the Executive Primary Lead.
- Monitoring school improvement plans and the impact on educational standards with support of the Executive Primary Lead.
- Ensuring the provision for free school meals and nutritional standards.
- Act as the Trust's Accounting Officer.

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

Pay ranges are identified for all senior leaders within the Trust and are linked to the successful completion of targets. A benchmarking process is undertaken to ensure value for money and external advice is taken where necessary to ensure the process is fair and transparent.

**CAVENDISH LEARNING TRUST**  
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**g. Trade union facility time**

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period Full-time equivalent employee number	Full-time equivalent employee number
1	0.2

**Percentage of time spent on facility time**

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

**Percentage of pay bill spent on facility time as at 31 March 2023**

Provide the total cost of facility time	£10,745.35
Provide the total pay bill	£6,271,764.78
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.17%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0%
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# CAVENDISH LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **Related Parties & other Connected Organisations**

No transactions with related parties or other connected organisations occurred within the year.

#### **Employee involvement and employment of the disabled**

The Trust has a comprehensive Equality and Diversity Policy which is available on the Cavendish Learning Trust website. This policy covers disabled persons as well as inequality arising out of age, gender or sex, marital status, parenthood, race, sexual orientation and other forms of disadvantage such as isolation and rural deprivation.

As a major employer and provider of education services the Trust is committed to advancing equality of opportunity and providing fair access and treatment in employment. Recruitment is carried out fairly and additional equipment or support is provided to employees where it is reasonable to do so.

#### **Employee consultation**

The Trust always consults with staff ahead of implementing any significant new arrangements which may affect employees. This includes dialogue with Trade Unions and Professional Associations, meetings with affected groups of staff, and carrying out one to one meetings to advise employees of the potential effect of any proposed arrangements on them.

#### **Engagement with suppliers, customers, and others in a business relationship with the academy trust**

The Trust understands the need to foster the company's business relationship with suppliers and does this in the following way:

- Reviews the contracts with suppliers on a regular basis
- Communicates regularly with suppliers to ensure that a good relationship is maintained
- Deals with any concerns raised by suppliers promptly
- Ensure that payments are made in line with contractual requirements

The Trust ensures that it considers its relationships with wider stakeholders in the following ways:

- Providing updates on the work of the Trust through a range of communication strategies including letters, newsletters, media outlets and social media
- Engages with the wider community in support of activities taking place in the local community
- Provides access to the schools to support local community activities
- Holds regular meetings with wider stakeholders as necessary

#### **Objectives and Activities**

##### **a. Objects and aims**

##### Vision Statement

We are a family of schools working together focused on supporting the needs of our individual communities, providing excellent education to maximise children and young adults' life choices.

##### Values Statements

In order to deliver the vision, the Trust ensures that all schools focus on the following values, which are included in the quality assurance processes:

- Teaching and Learning: To provide a range of innovative, engaging and challenging learning experiences for children and young adults, in order to nurture talent and promote the development of the whole person.
- Professional Development: To provide professional development opportunities for all staff at every stage of their career, and in doing so nurture potential and motivation.



# CAVENDISH LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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- **Children, Young Adult and Staff Well-Being:** To ensure that every child, young adult and member of staff in the organisation develops knowledge and skills to be independent and resilient individuals. To promote a learning and working environment that is safe and supports children, young adults and staff well-being
- **Ethical Leadership:** Embed the seven 'Principles of Public Life' of selflessness, integrity, objectivity, accountability, openness, honesty and leadership throughout the Trust.
- **Collaboration:** To develop a culture within our family of schools which is founded on collaboration, mutual support and helping each other to continually improve for the benefit of our communities and all children, young adults and members of staff within them.

### ***b. Objectives, strategies and activities***

#### Education Strategy

All academies within the Trust have clear School Improvement Plans, where priorities are determined by the quality assurance activities that take place on a regular basis.

The Trust also holds 'Academy Reviews' in order to consider the priority areas in each school and has then used these to determine the overarching education strategy for the Trust, which includes:

- **Behavior and Attendance:**
  - Develop the inclusion strategy across the Trust based on feedback from DFE Behavior Hubs and update policies and procedures accordingly.
  - Audit the existing development needs of staff and develop a training plan.
  - Develop an inclusion register in order to clearly identify the needs of children.
  - Review and develop the Trust's Attendance policy based on best practice from the DFE.
- **Communication:**
  - Development of a Trust communication strategy and protocol to provide consistency across the schools.
  - Successful completion of the 'Leading Parent Partnership Award', using Netherthorpe as a pilot for this.
  - Implement a range of strategies to gather the views of key stakeholders including children, parents/carers and staff.
  - Implement a Trust wide newsletter to share the successes of all of the schools within the Trust.
  - Increased communication and links with the wider community in order to develop links with local providers of services, industries and community groups.
- **People Strategy:**
  - Develop new pathways for 'routes into teaching' for staff.
  - Introduce a pilot for 'Journey to Excellence' to replace appraisal and move away from performance related pay.
  - Implement a range of recruitment events and materials to ensure vacancies are filled within the schools.
  - Continue to develop the ECT programme.
  - Develop a progression route model for all roles across the Trust.
  - Improve the Trust's Well-Being offer.

**CAVENDISH LEARNING TRUST**  
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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- **Quality Assurance:**
  - Develop 'Principles of Implementation' that can be used across the schools in order to provide a greater level of consistency in teaching and learning.
  - Implement a system of monitoring and evaluation in order to determine the quality of teaching and learning through observation, work scrutiny and student voice.
  - Moderation plans implemented to share good practice and identifies areas for development in each school.
  - Create clear links between all levels of Governance in order to monitor the effectiveness of quality assurance procedures.
  
- **SEND:**
  - Launch the 'Inclusion Centre' to support children with SEMH needs through the 'Thrive Curriculum Approach'.
  - Trust wide SEND policy agreed that ensures consistency across the Trust.
  - Further develop the work with parents as partners in order to support children with SEND.
  - Complete accessibility visits to all schools and develop curriculum opportunities for access for all children.
  - Develop a comprehensive training programme for staff to enhance quality first teaching.
  
- **Wider Development:**
  - Review the needs of the families and wider school community in order to better support children when outside of school.
  - Survey the families who are most vulnerable in order to determine what support is required.
  - Develop a range of partnerships with external providers and develop a 'Directory of Services' in order to signpost parents to these.
  - Implement a range of community workshops with outside providers to support families and children.

**c. Public benefit**

The Trust Board has complied with its duty to manage and develop schools offering a broad and balanced curriculum for the benefit of the public.

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

**Strategic Report – Achievements and Performance**

**a. Key performance indicators – 2022/23**

Context

COVID still had a significant impact on the Trust in the 2022/23 academic year, especially in relation to absence rates for staff and children. This therefore created inconsistencies in relation to the delivery of lessons and has had an impact in relation on the test and examination performance in all key stages.

The Trust has also seen a significant increase in the number of children deemed to have SEND needs and the number accessing pupil premium has also increased.

# CAVENDISH LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Results Overview

Primary:

Measure	Barrow Hill	Dunston	Whittington Moor
EYFS - GLD	64 (67)	13 (44)	69 (43)
Phonics – Year 1	78 (70)	66 (49)	49 (64)
KS2 – RWM Combined	7 (13)	44 (21)	NA

The data for the schools has been analysed against national performance data. Interventions that need to take place are detailed in the school improvement plans.

Secondary:

Key Stage	Measure	Result
KS4	Attainment 8	4.13 (4.35)
	Maths 5+	48 (51)
	English 5+	49 (52)
	English and Maths 5+	37 (42)
KS5	A-E	95 (97)
	Average Point Score per entry/Average Grade	29.03/C (29.91/C)

(National data not yet released)

In general, the data is in line with the national performance trends.

#### Ofsted

Two inspections were completed during the 2022/23 academic year:

- Barrow Hill: Requires Improvement
- Netherthorpe: Requires Improvement (6<sup>th</sup> Form Good)

This is the second requires improvement judgement since Barrow Hill joined the Cavendish Learning Trust. A Termination Warning Notice has been issued by the DFE but the Trust has made the decision to work with the DFE in order for all four schools to join with another multi-academy Trust from September 2024.

A decision as to whether this will take place will be made in early December, with ratification (if approved by the Boards) from the DFE expected in early 2024.

#### **b. Going concern**

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

It is expected that all academies within the trust will be joining another Multi-Academy Trust during, or at the end of, the 2023/24 academic year. At this date, all the academies within the trust will continue their operations under another Multi-Academy Trust, but Cavendish Learning Trust will cease operations. At this point, the trustees will oversee the closing down of Cavendish Learning Trust and will apply to Companies House for the company to be dissolved.

As such the trustees do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis but have been prepared on an alternative basis to comply with the Academies Accounts Direction 2022 to 2023.

# CAVENDISH LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **c. Promoting the success of the Trust**

The Trustees confirm that as directors, they have acted in a way most likely to promote the success of the Trust as required in Section 172 of the Companies Act 2016 and in doing so, have had regard (amongst other matters) to:

- The likely consequences of any decision in the long term – The core strategic objective is to sustain and improve the quality and effectiveness of all aspects of each school and the Trust as a whole in the next academic year, whilst the discussions about joining another Trust are on-going.
- The interests of the Trust's employees – The health, safety, well-being, workload, support, development and retention of staff is a core trust commitment enshrined in its 'pledge' to staff. Procedures, policy and monitoring ensure that these commitments are delivered consistently and the interests of employees are always considered.
- The need to foster the Trust's business relationships with suppliers, customers and others – The Trust has clear protocols and expectations which it maintains at all times.
- The impact of the Trust's operations on the community and the environment – The Trust and each school is very aware of its importance and impact within the community and environment. Whenever possible, actions attempt to reduce this impact, and foster strong external community links.
- The desirability of the Trust maintaining a reputation for high standards of business conduct – The trust is committed to maintaining a strong reputation and the highest standards of business conduct.
- The need to act fairly as between members of the company – the Trust works with its members, keeping them suitably informed of the trust's activities, plans and governance arrangements so that they are able to fulfil their role effectively.

#### **Financial Review**

##### **a. Financial Overview**

The Trust reported an in year deficit of £914,416 for 2022/2023 excluding pension and fixed asset funds.

At 31 August 2023, total revenue reserves of the Trust excluding pensions were £729,500.

The principal source of funding is the General Annual Grant which is received from the Education and Skills Funding Agency (ESFA). This funding is allocated to the Trust via a set formula for each individual school. General Annual Grant accounts for 64% of total Income from Charitable Activities (2022: 82%). The ESFA and Department for Education also provide additional grants towards the cost of Universal Infant Free School Meals and for Pupil Premium. The Trust receives income from the local authority towards the additional costs of students with special educational needs and disability, as well as for Early Years provision. Government funding remains very tight and the Trust is constantly reviewing its operations in order to deliver its objectives within the available funding envelope, as well as looking to supplement funding from other sources where these can be identified (for example by letting out premises and school fundraising).

Cash balances stood at £805,006 at 31 August 2023, compared to £2,470,791 in the previous year.

The Trust is still focused on cost saving exercises, and identification of area where economies of scale and synergies can be achieved.

# CAVENDISH LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### ***b. Reserves policy***

At the year end, the Trust held the following levels of free reserves:

- Unrestricted reserves: £729,500
- GAG reserves: £nil
- Total free reserves: £729,500

The long term aim of the Trust is to maintain free reserves at 3%-5% of total income, which is between £359,353 and £598,921, in order to maintain financial sustainability.

As of 31 August 2023, the net book value of fixed assets was £23,342,474 (2022: £23,496,227) and movements in tangible fixed assets are shown in note 13 to the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The defined benefit pension scheme liability continues to be in deficit at £1,050,000 (2022: £1,911,000).

The trustees continue to monitor this position, and the impact of this deficit on future pension contributions is considered and incorporated within the academy trusts budgets and forecasts.

#### ***c. Investment policy***

Investments must be made only when approved by the Trust Board.

All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

Periodically (at least annually) review interest rates and compare with other investment opportunities. A working balance of £250,000 to £500,000 should be maintained in the main academy's current account where possible.

The Trust's current position is to only invest funds in risk free and easily accessible deposit accounts. Funds can be invested up to 12 months if appropriate. Investing cash over more than a year had to be approved by the Trust and referenced with detailed cash flow workings.

#### ***d. Principal risk and uncertainties***

The Trustees are aware of the risks to the Trust and a risk register has been developed to respond to these. The Trust Board reviews the risk register on a regular basis. The principal risks and uncertainties identified (other than the pension deficit) are detailed below with the action that needs to be taken.

- Financial Viability of a Small Trust – Action to 'Review'.
- Falling pupil numbers – Action to 'Treat'.
- Ofsted judgements – Action to 'Treat'.
- Skills Shortage – Action to 'Review'.
- Sickness Absence – Action to 'Review'.
- Potential Merger to Grow the Trust – Action to 'Treat'.
- Breach of Health and Safety Legislation – Action to 'Review'.
- Safeguarding Breach – Action to 'Review'.
- Fraud and Data Breach – Action to 'Treat'.
- Business Interruption – Action to 'Review'.

# CAVENDISH LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The Trust is at particular risk at this moment in time due to the financial pressures being placed on education budgets including staffing costs due to potential wage increases and also the costs of utilities.

The Trustees understand the need to ensure that the estate is safe, well maintained and complies with relevant regulations. This is covered under the 'Breach of Health and Safety Legislation' in the risk register. The Trust uses Judicium Education in order to review the Health and Safety on a termly basis and a meeting is held with the identified Trustee following these reviews.

### **Fundraising**

Most of the income to the Trust is in the form of grants from the ESFA, the local authority and the Department for Education.

The Trust does not charge for school activities and education that take place during school hours and are part of the school curriculum. Voluntary contributions may be requested to enable the Trust to run extra activities (including trips and visits) which are deemed educationally desirable. The Trust will make it clear in its communications to parents that these contributions are voluntary, and that no pupil will be treated differently according to whether or not his or her parent/carer has contributed. If insufficient funds are collected to cover costs, activities may be cancelled.

There are areas of the curriculum we are allowed to charge for. If parents wish to receive items made by their children, they will be asked to pay for materials used. Ingredients will be provided for children who cannot pay, but the item will not be sent home. Charges may also be made for activities taking place outside of school hours to cover the cost of items such as transport, accommodation, food and drink, entrance fees, supervision, and insurance. Arrangements are in place to help the parents of disadvantaged families to ensure that their child can take part in such events. Further information is given in our Charges and Remittances policy which is available from our website.

Any contributions requested towards the costs of any such activities will be set at a level which does not generate a profit for the school after taking account of all expected costs of the event plus a small operational contingency.

The Trust will not repeatedly ask for contributions for the same payment (though some larger events may allow parents to pay in instalments) and will advise anyone struggling to pay to approach the school to discuss how support may be given where appropriate.

**CAVENDISH LEARNING TRUST**  
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Streamlined energy and carbon reporting**

	Current Year 2022-23	Previous Year 2021-22
Energy consumption used to calculate emissions	KWH	KWH
Energy consumption KWH	2,410,375	2,388,346
<b>Scope 1 emissions in metric tonnes Co2e</b>		
Gas consumption	343.96	337.51
<b>Scope 2 emissions in metric tonnes CO2e</b>		
Electricity consumption	108.98	111.73
<b>Scope 3 emissions in metric tonnes</b>		
Business travel in employee owned vehicles	1.13	0.42
Intensity ratio		
Tonnes CO2e per pupil	0.28	0.27

**Quantification and Reporting Methodology**

The Academy Trust has followed and used the following quantification and reporting methodologies:

the 2019 HM Government Environmental Reporting Guidelines;

the GHG Reporting Protocol - Corporate Standard; and

the 2020 UK Government's Conversion Factors for Company Reporting.

**Intensity measurement**

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

**Measures taken to improve efficiency**

The Trust understands the need to improve its energy efficiency and has put the following measures in place:

- Installed smart meters where possible to monitor energy usage
- Installed LED and sensor controlled lighting where possible
- Communicated with staff the need to follow some basic rules in relation to energy efficiency e.g. turning off lights and closing windows when not in use
- Reviewed all meters and identified where readings are higher than inspected and investigated the reasons as necessary
- Increased the number of meetings that are held remotely in order to reduce the amount of travel for staff

**CAVENDISH LEARNING TRUST**  
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Plans for future periods and post balance sheet events**

The Cavendish Learning Trust has made the decision to seek to join another Multi-Academy Trust in the 2023-2024 academic year.

**Future Objectives of the Trust**

In line with the Trust's education and development strategy, the following objectives will support the Trust in delivering these:

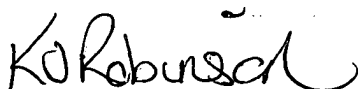
- To further develop strategic leadership at all levels within the Trust, supporting the development of all schools, leading to all schools being good or outstanding.
- To further develop the role of the Trust's 'Shared Services' in supporting the schools.
- To ensure that the Trust is financially viable and is providing value for money by responding to the feedback of the SRMA review.
- To further develop structures, processes and procedures within the Trust in order to fulfil statutory requirements.
- To ensure all areas of the risk register are closely monitored and reviewed.

**Disclosure of information to auditors**

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the 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 6 December 2023 and signed on its behalf by:



K Robinson

**Chair of Trustees**



**CAVENDISH LEARNING TRUST**  
**GOVERNANCE STATEMENT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Scope of Responsibility**

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

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

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 6 times during the year.

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

Trustee	Board	
	Attended	Out of Possible
Ms K Robinson, Chair	6	6
Ms D Walton, Vice Chair	5	6
Mr N Sternberg	6	6
Mr P Brown	6	6
Mr J Doyle	4	6
Ms M Hemingway	5	6
Mrs M Archbould	5	6
Mrs V Truman	6	6

**Conflicts of interest**

The Trust ensures that registers of interest are completed on an annual basis and all individuals associated with the Trust must inform the Accounting Officer if there are any changes in-year that could be deemed as a conflict of interest.

The Accounting Officer reviews all of the operational decisions to ensure that conflicts of interest are considered. At this time, there are no conflicts of interest identified within the Trust.

**Governance reviews**

A Governance Review last took place in 2019 by the National Governance Association and all recommendations from this were implemented after the COVID restrictions were lifted.

One-to-one meetings are held with Trustees by the Chair on an annual basis in order to review the work of the Trust and consider any changes that are required. The Trust Board reviews its skills and expertise and identifies gaps as necessary. If there are any areas where skills are required, then a recruitment process is then implemented.

# CAVENDISH LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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This included the following changes being made to the Trust Board:

- A re-defining of the role of HR and Remuneration Committee and new terms of reference developed and approved
- A review of the scheme of delegation in relation to the Academy Improvement Boards (AIBs) and the further development of the meetings held with the Chair's of the AIBs
- Clear roles for members of the Trust Board identified including Safeguarding, SEND and Health and Safety
- Creation of a 'Project Group' in order to consider the potential Trust Merger and not allow this to distract from the work of the main Trust Board

An external review of Governance was due to take place in academic year 2023/24. However, due to the expected transfer of all academies to another multi-academy trust, this will not take place until a final decision is made on the future of the Trust.

The Finance Committee was a sub-committee of the Board of Trustees. Its purpose is to oversee finance, audit, risk register and personnel. This includes oversight of both internal scrutiny and external auditors was overseen by this committee.

Trustee	Finance	
	Attended	Out of Possible
Ms K Robinson, Chair	2	3
Ms D Walton, Vice Chair	3	3
Mr P Brown	3	3
Mrs M Archbould	2	3

#### Review of value for money

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

The Accounting Officer understands the need to ensure that the Trust's estate is safe, well-maintained, and complies with regulations. This is done by ensuring:

- Recommendations from Health and Safety audits and Fire Risk Assessments are completed in a timely manner
- Remedial work identified through statutory testing is completed in a timely manner.
- Surveys of the sites are completed as necessary in order to identify where work is required to ensure that it is well maintained

The Accounting Officer considers how the Trust's use of 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:

- Sharing procurement of services and the provision of training between several schools to generate economies of scale.
- Reviewing staffing requirements and reducing cost commitments where possible when staff

# CAVENDISH LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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- vacancies occur.
- Benchmarking expenditure against that of similar Trusts to check that expenditure levels are not excessive in comparison to similar organisations.
- Implementing elements of the SRMA review, including reviewing all contracts within the Trust.

#### **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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Cavendish Learning Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust'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 Trust's system of internal financial control and scrutiny is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees.
- Regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from TSO Education for financial processes.

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

- Financial process and segregation of duties.

On a periodic basis, the internal auditor reports to the finance and resources committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

In addition to this, an independent consultant has also been used to carry out internal scrutiny of the following areas:

**CAVENDISH LEARNING TRUST**  
**GOVERNANCE STATEMENT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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- Implementation of the staff absence policy.

The internal auditors delivered their schedule of work as planned and the audits completed have enabled the Trust to improve processes within each of the schools.

**Review of effectiveness**

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

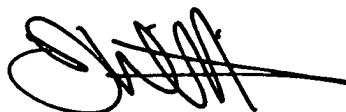
- The work of the internal scrutineers.
- The work of the external auditors.
- The financial management and governance self-assessment process.
- The work of the Executive Leaders within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the 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 on 6<sup>th</sup> December 2023 and signed on their behalf by:



K Robinson  
**Chair of Trustees**



D Williams  
**Accounting Officer**

# CAVENDISH LEARNING TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

***FOR THE YEAR ENDED 31 AUGUST 2023***

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

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the 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.



D. Williams  
**Accounting Officer**

06 December 2023

# CAVENDISH LEARNING TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The trustees (who are also the directors of Cavendish Learning Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

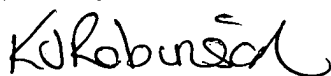
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 06 December 2023 and signed on its behalf by:



K Robinson  
Chair of Trustees

# CAVENDISH LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAVENDISH LEARNING TRUST

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Opinion

We have audited the accounts of Cavendish Learning Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

### Basis for opinion

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

### Emphasis of matter

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1.2 to the financial statements regarding going concern. As detailed in the accounting policy, it is intended that the academies within Cavendish Learning Trust will rebroker to another multi academy trust within the next 12 months.

Accordingly, the trustees have decided that the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 1.2 to the financial statements.

### Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the 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 accounts 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.

### Opinions on other matters prescribed by the Companies Act 2006

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

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

# CAVENDISH LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAVENDISH LEARNING TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

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

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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

### **Extent to which the audit was considered capable of detecting irregularities, including fraud and the audit response**

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.

At the planning stage we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general academy sector experience and through discussion with management, as required by auditing standards. The potential effect of any laws and regulation on the financial statements can vary considerably. There are laws and regulations that directly affect the financial statements (e.g. the Companies Act, the Charities SORP 2019, the Academies Accounts Direction 2022 to 2023) as well as many other operational laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.



# CAVENDISH LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAVENDISH LEARNING TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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We have assessed the overall susceptibility of the financial statements to material misstatement due to irregularities as moderate risk due to the inherent regulatory environment and financial reporting requirements within the sector. Furthermore, increased public scrutiny due to use of public funds increases the risk around certain financial reporting disclosures. However, as a result, there are stronger financial controls around sensitive financial reporting disclosures imposed by the ESFA therefore this reduces the risk of material misstatements as a result of irregularities being undetected. The procedures performed by the audit team included:

- Communicating identified laws and regulations at planning throughout the audit team to remain alert to any indications of non-compliance throughout the audit.
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including the current Academies Accounts Direction.
- Review of any OFSTED reports within the period.
- Review of the Internal Scrutiny Reports delivered in the year.
- Ensuring that any findings noted as part of our work on regularity (as detailed in our Independent Reporting Accountant's Assurance Report) which indicate the possibility of irregularities and fraud, including any breaches of the Academies Financial Handbook, are also considered as part of our conclusions here.
- Review of the Accounting Officer's Statement of Regularity, Propriety and Compliance and the academy trust's Governance Statement disclosures.

We have assessed the overall susceptibility of the financial statements to material misstatement due to fraud. Management override is the most common way in which fraud might present itself and is therefore inherently high risk on any audit. Management override, which may cause there to be a material misstatement within the financial statements, may present itself in a number of ways, for example:

- Override of internal controls (e.g. segregation of duties)
- Entering into transactions outside the normal course of operations, especially with related parties
- Fraudulent revenue recognition, including fictitious income and income being recorded in the wrong period
- Presenting bias in accounting judgements and estimates, particularly the ones disclosed in note 2 to the financial statements.

In order to reduce the risk of material misstatement to an acceptable level, numerous audit procedures were performed including:

- Enquiries of management as to whether they had any knowledge of any actual or suspected fraud
- Review of material journal entries made throughout the year as well as those made to prepare the financial statements.
- Review of financial data for evidence of previously unidentified related party transactions that may not have been conducted in accordance with the Academy Trust Handbook.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing the underlying rationale behind transactions in order to assess whether they were outside the normal course of business
- Increased substantive testing across all material income streams
- Assessing whether management's judgements and estimates indicated potential bias, particularly those disclosed in note 2 to the financial statements.
- Review of legal fees and any associated correspondence
- Review of the findings of the internal audit function for any suspected instances of fraud.

# CAVENDISH LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAVENDISH LEARNING TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected material misstatements in the financial statements, even though we have performed our audit in accordance with auditing standards. Furthermore, as with all audits, there is a higher risk of irregularities (especially those relating to fraud) being undetected, as these may involve the override of internal controls, collusion, intentional omissions and misrepresentations etc. We are not responsible for preventing non-compliance or fraud and therefore cannot be expected to detect all instances of such. Our audit was not designed to identify misstatements or other irregularities that would not be considered to be material to the financial statements. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

### Use of our report

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



**Hannah Jones (Senior Statutory Auditor)**  
for and on behalf of Hart Shaw LLP

14 December 2023

**Chartered Accountants**  
**Statutory Auditor**

Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

# CAVENDISH LEARNING TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CAVENDISH LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

**FOR THE YEAR ENDED 31 AUGUST 2023**

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In accordance with the terms of our engagement letter 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 Cavendish Learning Trust during the period 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 Cavendish Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Cavendish Learning Trust 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 Cavendish Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Cavendish Learning Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Cavendish Learning Trust's funding agreement with the Secretary of State for Education dated 1 December 2014 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 period 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 trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- reviewing for transactions which require ESFA approval in accordance with the Academy Trust Handbook 2022;
- reviewing any special payments to staff (compensation, severance and ex-gratia) to ensure compliance with the Academy Trust Handbook 2022;
- reviewing for any borrowings that contravene the Academy Trust Handbook 2022;
- reviewing for connected party transactions to ensure compliance with the Academy Trust Handbook 2022;
- reviewing for any evidence of non-compliance with laws and regulations;
- reviewing committee meeting minutes for indications of irregular transactions;
- carrying out systems and controls testing and considering the effectiveness of such controls; and
- carrying out targeted substantive testing to review for any unusual or irregular transactions.

# CAVENDISH LEARNING TRUST

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

*FOR THE YEAR ENDED 31 AUGUST 2023*

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### Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 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.

*Hart Shaw LLP*

### Reporting Accountant

Hart Shaw LLP  
Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

Dated: 14 December 2023

# CAVENDISH LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2023 £	Total 2022 as restated £
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	2,996	178,895	181,891
Charitable activities:					
- Funding for educational operations	4	229,096	11,370,099	-	11,599,195
Other trading activities	5	186,640	1,062	-	187,702
Investments	6	9,632	-	-	9,632
<b>Total</b>		<b>425,368</b>	<b>11,374,157</b>	<b>178,895</b>	<b>11,978,420</b>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	9	-	12,743,637	631,471	13,375,108
<b>Total</b>	7	<b>-</b>	<b>12,743,637</b>	<b>631,471</b>	<b>13,375,108</b>
<b>Net income/(expenditure)</b>		<b>425,368</b>	<b>(1,369,480)</b>	<b>(452,576)</b>	<b>(1,396,688)</b>
Transfers between funds	18	(201,716)	50,412	151,304	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	20	-	1,042,000	-	1,042,000
<b>Net movement in funds</b>		<b>223,652</b>	<b>(277,068)</b>	<b>(301,272)</b>	<b>(354,688)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		505,848	(772,932)	23,645,177	23,378,093
Total funds carried forward		729,500	(1,050,000)	23,343,905	23,023,405

# CAVENDISH LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022 As restated	Notes	Unrestricted funds	Restricted funds:		Total 2022
		£	General	Fixed asset	£
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	-	120,425	120,425
Charitable activities:					
- Funding for educational operations	4	207,549	10,541,213	-	10,748,762
Other trading activities	5	138,790	2,299	-	141,089
Investments	6	1,958	-	-	1,958
<b>Total</b>		<u>348,297</u>	<u>10,543,512</u>	<u>120,425</u>	<u>11,012,234</u>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	9	184,145	11,150,112	860,056	12,194,313
<b>Total</b>	7	<u>184,145</u>	<u>11,150,112</u>	<u>860,056</u>	<u>12,194,313</u>
<b>Net income/(expenditure)</b>		164,152	(606,600)	(739,631)	(1,182,079)
Transfers between funds	18	11,250	(335,822)	324,572	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	20	-	5,857,000	-	5,857,000
<b>Net movement in funds</b>		175,402	4,914,578	(415,059)	4,674,921
<b>Reconciliation of funds</b>					
Total funds brought forward		330,446	(5,687,510)	24,060,236	18,703,172
Total funds carried forward		<u>505,848</u>	<u>(772,932)</u>	<u>23,645,177</u>	<u>23,378,093</u>

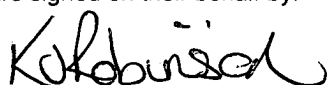
# CAVENDISH LEARNING TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

		2023		2022 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		23,342,474		23,496,227
<b>Current assets</b>					
Debtors	14	525,554		665,477	
Cash at bank and in hand		805,006		2,470,791	
		<u>1,330,560</u>		<u>3,136,268</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(586,877)		(1,328,330)	
<b>Net current assets</b>			<u>743,683</u>		<u>1,807,938</u>
<b>Total assets less current liabilities</b>			<u>24,086,157</u>		<u>25,304,165</u>
Creditors: amounts falling due after more than one year	16		(12,752)		(15,072)
<b>Net assets excluding pension liability</b>			<u>24,073,405</u>		<u>25,289,093</u>
Defined benefit pension scheme liability	20		(1,050,000)		(1,911,000)
<b>Total net assets</b>			<u><u>23,023,405</u></u>		<u><u>23,378,093</u></u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds			23,343,905		23,645,177
- Restricted income funds			-		1,138,068
- Pension reserve			(1,050,000)		(1,911,000)
<b>Total restricted funds</b>			<u>22,293,905</u>		<u>22,872,245</u>
<b>Unrestricted income funds</b>	18		<u>729,500</u>		<u>505,848</u>
<b>Total funds</b>			<u><u>23,023,405</u></u>		<u><u>23,378,093</u></u>

The accounts on pages 27 to 54 were approved by the trustees and authorised for issue on 06 December 2023 and are signed on their behalf by:



K Robinson  
Chair

Company registration number 07935515 (England and Wales)

# CAVENDISH LEARNING TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

		2023		2022 as restated	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Net cash (used in)/provided by operating activities	21		(1,608,090)		616,335
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		9,632		1,958	
Capital grants from DfE Group		372,249		120,425	
Capital funding received from sponsors and others		1,300		-	
Purchase of tangible fixed assets		(438,556)		(64,907)	
<b>Net cash (used in)/provided by investing activities</b>			(55,375)		57,476
<b>Cash flows from financing activities</b>					
Repayment of long term bank loan		(2,320)		(1,160)	
<b>Net cash used in financing activities</b>			(2,320)		(1,160)
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(1,665,785)		672,651
Cash and cash equivalents at beginning of the year			2,470,791		1,798,140
<b>Cash and cash equivalents at end of the year</b>			805,006		2,470,791



# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

Cavendish Learning Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

##### 1.1 Basis of preparation

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

Cavendish Learning Trust meets the definition of a public benefit entity under FRS102.

##### 1.2 Going concern

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

The trustees believe that the academies within Cavendish Learning Trust will transfer into another multi academy trust within the next 12 months. At the date of transfer, the academies within Cavendish Learning Trust will continue their operations under the receiving trust, but Cavendish Learning Trust will cease operations. The trustees will oversee the closing down of Cavendish Learning Trust and will apply to Companies House for the company to be dissolved.

As such the trustees do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis, but have been prepared on an alternative basis to comply with the Academies Accounts Direction 2022 to 2023.

##### 1.3 Income

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

###### Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

(Continued)

##### Sponsorship income

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

##### Donations

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

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

#### 1.5 Tangible fixed assets and depreciation

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

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

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

Land and buildings	2 - 3.33% straight line
Computer equipment	10 - 20% straight line
Fixtures, fittings & equipment	10 - 20% straight line

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

#### 1.6 Liabilities

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

#### 1.7 Financial instruments

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

##### Financial assets

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

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

##### Financial liabilities

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

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

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 1.8 Taxation

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

#### 1.9 Pensions benefits

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

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

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

#### 1.10 Fund accounting

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

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

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

#### 1.11 Redundancy and termination payments

Redundancy and termination benefits are recognised immediately as an expense when the trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

#### 1.12 Agency arrangement

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds.

The funds received and paid and any balances held are disclosed in note 27.

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The 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 20, will impact on 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.

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	177,595	177,595	120,425
Other donations	-	4,296	4,296	-
	-	181,891	181,891	120,425

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	7,626,263	7,626,263	8,976,529
Other DfE/ESFA grants:				
- UIFSM	-	33,748	33,748	41,669
- Pupil premium	-	622,833	622,833	564,584
- ITT bursaries grants	-	25,082	25,082	20,442
- Supplementary grant	-	374,743	374,743	-
- 16-19 funding	-	1,319,906	1,319,906	-
- Others	-	227,048	227,048	68,691
	-	10,229,623	10,229,623	9,671,915
<b>Other government grants</b>				
Special educational needs	-	621,315	621,315	483,662
Other local authority grants	-	265,737	265,737	141,950
	-	887,052	887,052	625,612
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	114,152	114,152	149,158
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	-	-	13,354
	-	114,152	114,152	162,512
<b>Other incoming resources</b>	229,096	139,272	368,368	288,723
<b>Total funding</b>	229,096	11,370,099	11,599,195	10,748,762

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Lettings income	27,397	-	27,397	34,142
Solar panel income	15,039	-	15,039	-
Transport income	75,647	-	75,647	-
Other income	68,557	1,062	69,619	106,947
	186,640	1,062	187,702	141,089

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	9,632	-	9,632	1,958

### 7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 as restated £
Academy's educational operations					
- Direct costs	7,730,296	532,471	810,426	9,073,193	8,680,708
- Allocated support costs	1,987,858	1,050,875	1,263,182	4,301,915	3,513,605
	9,718,154	1,583,346	2,073,608	13,375,108	12,194,313

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	140,851	36,822
Depreciation of tangible fixed assets	611,391	702,263
Loss on disposal of fixed assets	20,080	-
Fees payable to auditor for audit services	19,740	19,024
Net interest on defined benefit pension liability	83,000	120,000

### 8 Central services

The academy trust has provided the following central services to its academies during the year:

- human resources;
- financial services;
- legal services;
- educational support services
- strategic management
- payroll services.

The academy trust charges for these services at a flat rate of 5.4% (2022: 5.4%) of GAG income plus additional other bases as arising.

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Central services

(Continued)

The amounts charged during the year were as follows:

	2023 £	2022 £
Netherthorpe	623,532	352,644
Barrow Hill Primary	28,656	29,184
Dunston Primary and Nursery	146,196	68,664
Whittington Moor Nursery and Infant	46,500	22,188
	<u>844,884</u>	<u>472,680</u>

### 9 Charitable activities

	2023 £	2022 as restated £
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	9,073,193	8,680,708
<b>Support costs</b>		
Educational operations	4,301,915	3,513,605
	<u>13,375,108</u>	<u>12,194,313</u>

	2023 £	2022 as restated £
<b>Analysis of support costs</b>		
Support staff costs	2,044,336	1,639,279
Depreciation	99,000	169,117
Premises costs	951,875	713,224
Legal costs	37,552	-
Other support costs	1,144,482	966,706
Governance costs	24,670	25,279
	<u>4,301,915</u>	<u>3,513,605</u>



# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	6,572,808	5,838,451
Social security costs	640,025	557,524
Pension costs	1,504,271	1,861,350
Staff costs - employees	8,717,104	8,257,325
Agency staff costs	984,625	610,928
Staff restructuring costs	16,425	-
Staff development and other staff costs	9,718,154	8,868,253
	76,823	176,106
Total staff expenditure	9,794,977	9,044,359

Staff restructuring costs comprise:

Severance payments	16,425	-
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#### Severance payments

The academy trust paid 1 severance payments in the year, disclosed in the following bands:

£0 - £25,000	1
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#### Special staff severance payments

Included in staff restructuring costs is a single non-contractual payment of £16,425.

#### Staff numbers

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

	2023 Number	Restated 2022 Number
Teachers	99	98
Administration and support	169	147
Management	6	7
	274	252

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Staff

(Continued)

#### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	2	4
£70,001 - £80,000	3	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
	<u>      </u>	<u>      </u>

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £348,344 (2022: £316,304).

### 11 Trustees' remuneration and expenses

No trustees were remunerated throughout the year (2022: £nil).

During the year, no expenses (2022: £nil) were reimbursed or paid on behalf of the trustees (2022: 0 trustees).

### 12 Trustees' and officers' insurance

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

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment as restated	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2022	27,306,156	1,170,323	1,188,556	29,665,035
Additions	-	232,571	245,147	477,718
Disposals	-	(701,683)	-	(701,683)
At 31 August 2023	27,306,156	701,211	1,433,703	29,441,070
<b>Depreciation</b>				
At 1 September 2022	4,041,912	1,005,279	1,121,617	6,168,808
On disposals	-	(681,603)	-	(681,603)
Charge for the year	532,470	60,060	18,861	611,391
At 31 August 2023	4,574,382	383,736	1,140,478	6,098,596
<b>Net book value</b>				
At 31 August 2023	22,731,774	317,475	293,225	23,342,474
At 31 August 2022	23,264,244	165,044	66,939	23,496,227

### 14 Debtors

	2023	2022 as restated
	£	£
Trade debtors	10,645	21,257
VAT recoverable	153,606	129,249
Other debtors	799	3,961
Prepayments and accrued income	360,504	511,010
	525,554	665,477

### 15 Creditors: amounts falling due within one year

	2023	2022 as restated
	£	£
Government loans	2,320	2,320
Trade creditors	174,490	492,120
Other taxation and social security	151,782	141,619
Other creditors	26,272	173,180
Accruals and deferred income	232,013	519,091
	586,877	1,328,330

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 16 Creditors: amounts falling due after more than one year

	2023 £	2022 as restated £
Government loans	12,752	15,072
	<u>12,752</u>	<u>15,072</u>
<b>Analysis of loans</b>	<b>2023 £</b>	<b>2022 £</b>
Not wholly repayable within five years by instalments	5,792	8,112
Wholly repayable within five years	9,280	9,280
	<u>15,072</u>	<u>17,392</u>
Less: included in current liabilities	(2,320)	(2,320)
	<u>12,752</u>	<u>15,072</u>
Amounts included above	<u>12,752</u>	<u>15,072</u>
<b>Loan maturity</b>		
Debt due in one year or less	2,320	2,320
Due in more than one year but not more than two years	2,320	2,320
Due in more than two years but not more than five years	4,640	4,640
Due in more than five years	5,792	8,112
	<u>15,072</u>	<u>17,392</u>

Included within government loans is £15,072 (2022: £17,392) from SALIX; a not for profit organisation funded by The Department of Energy and Climate change. The loans are interest free loans with repayments to be made twice a year for 8 years until the loan is fully repaid.

### 17 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	45,854	57,540
	<u>45,854</u>	<u>57,540</u>
Deferred income at 1 September 2022	57,540	44,293
Released from previous years	(57,540)	(44,293)
Resources deferred in the year	45,854	57,540
	<u>45,854</u>	<u>57,540</u>
<b>Deferred income at 31 August 2023</b>	<b>45,854</b>	<b>57,540</b>

At 31 August 2023 £45,854 was recognised in deferred income in relation to income received which relates to the following financial year. The majority of this deferred income relates to Universal Infant Free School Meals funding, parent pay canteen income and trip income.

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Funds

	Balance at 1 September 2022 as restated £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,063,263	7,626,263	(8,739,938)	50,412	-
UIFSM	-	33,748	(33,748)	-	-
Pupil premium	-	622,833	(622,833)	-	-
Other DfE/ESFA COVID-19 funding	-	114,152	(114,152)	-	-
Other DfE/ESFA grants	-	1,946,779	(1,946,779)	-	-
Other government grants	-	887,052	(887,052)	-	-
Other restricted funds	74,805	143,330	(218,135)	-	-
Pension reserve	(1,911,000)	-	(181,000)	1,042,000	(1,050,000)
	<u>(772,932)</u>	<u>11,374,157</u>	<u>(12,743,637)</u>	<u>1,092,412</u>	<u>(1,050,000)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	23,451,404	-	(631,471)	-	22,819,933
DfE group capital grants	193,773	177,595	-	-	371,368
Capital expenditure from GAG	-	-	-	152,604	152,604
Local authority capital grants	-	1,300	-	(1,300)	-
	<u>23,645,177</u>	<u>178,895</u>	<u>(631,471)</u>	<u>151,304</u>	<u>23,343,905</u>
<b>Total restricted funds</b>	<u>22,872,245</u>	<u>11,553,052</u>	<u>(13,375,108)</u>	<u>1,243,716</u>	<u>22,293,905</u>
<b>Unrestricted funds</b>					
General funds	<u>505,848</u>	<u>425,368</u>	<u>-</u>	<u>(201,716)</u>	<u>729,500</u>
<b>Total funds</b>	<u>23,378,093</u>	<u>11,978,420</u>	<u>(13,375,108)</u>	<u>1,042,000</u>	<u>23,023,405</u>

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Funds

(Continued)

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

Restricted general funds comprise all other restricted funds received and include grants from the the Education and Skills Funding Agency / Department for Education.

#### **General Annual Grant**

The General Annual Grant (GAG) fund has been spent in line with the terms of the Master Funding Agreement. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit of the amount of GAG that it could carry forward at 31 August 2023.

#### **UIFSM**

The Universal Infant Free School Meals funding is to provide free school meals for all infant pupils.

#### **Pupil Premium**

Pupil Premium is funding for the academy to support its disadvantaged pupils and close the attainment gap between them and their peers.

#### **Other DfE/ESFA COVID-19 funding**

This includes the recovery premium grant. This funding is to support pupils whose education has been affected by Covid-19.

#### **Other DfE/ESFA grants**

This includes the PE and sports grant, Teachers Pay Grant and Teachers Pension Grant, Supplementary Grant and School Led Tutoring grant.

The PE and sports grant is funding received to support the sporting facilities of the academy trust.

The Teachers Pay Grant is funding received to contribute towards increased pension and national insurance costs.

Supplementary Grant provides support for the costs of the Health and Social Care Levy and wider costs.

School Led Tutoring grant is to support disadvantaged pupils in catch-up learning.

#### **Other government grants**

This includes pupil premium funding and special educational needs funding from Local Authorities.

#### **Other restricted funds**

Other restricted funds includes income for hire of facilities, money collected for trips, tuck shops and other educational trading activities which is directly for the benefit of the pupils within the Trust.

The pension reserve held within restricted funds was in deficit of £1,050,000 at 31 August 2023 (2022: £1,911,000 deficit). This does not mean that an immediate liability for this amount crystallises. The deficit pension will result in a cash flow effect for the academy trust in the form of employer's pension contributions as assessed by the actuary.

#### **Restricted fixed asset fund**

Restricted fixed assets funds are resources which are applied to specific capital purposes imposed by the Education and Skills Funding Agency / Department for Education where the asset acquired or created is held for a specific purpose.

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Funds

(Continued)

A total of £152,604 has been transferred from general restricted funds to the restricted fixed asset fund, as permitted by the Academies Accounts Direction (2022: £251,224).

#### Unrestricted funds

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

An amount of £201,716 has been transferred from unrestricted funds to restricted general funds to support the charitable activities of the trust.

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,169,333	8,976,529	(8,716,686)	(365,913)	1,063,263
UIFSM	-	41,669	(37,095)	(4,574)	-
Pupil premium	-	564,584	(651,025)	86,441	-
Other DfE/ESFA COVID-19 funding	-	149,158	(149,158)	-	-
Other Coronavirus funding	-	13,354	(13,354)	-	-
Other DfE/ESFA grants	-	89,133	(89,133)	-	-
Other government grants	-	625,612	(679,796)	54,184	-
Other restricted funds	163,157	83,473	(65,865)	(105,960)	74,805
Pension reserve	(7,020,000)	-	(748,000)	5,857,000	(1,911,000)
	<u>(5,687,510)</u>	<u>10,543,512</u>	<u>(11,150,112)</u>	<u>5,521,178</u>	<u>(772,932)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	24,060,236	-	(860,056)	251,224	23,451,404
DfE group capital grants	-	120,425	-	73,348	193,773
	<u>24,060,236</u>	<u>120,425</u>	<u>(860,056)</u>	<u>324,572</u>	<u>23,645,177</u>
<b>Total restricted funds</b>	<u>18,372,726</u>	<u>10,663,937</u>	<u>(12,010,168)</u>	<u>5,845,750</u>	<u>22,872,245</u>
<b>Unrestricted funds</b>					
General funds	<u>330,446</u>	<u>348,297</u>	<u>(184,145)</u>	<u>11,250</u>	<u>505,848</u>
<b>Total funds</b>	<u>18,703,172</u>	<u>11,012,234</u>	<u>(12,194,313)</u>	<u>5,857,000</u>	<u>23,378,093</u>

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Funds

(Continued)

#### Total funds analysis by academy

	2023	2022 as restated
	£	£
Fund balances at 31 August 2023 were allocated as follows:		
Netherthorpe	906,938	1,290,656
Barrow Hill Primary	(74,912)	38,427
Dunston Primary and Nursery	110,195	210,533
Whittington Moor Nursery and Infant	(9,801)	170,620
Central services	(202,920)	(66,320)
Total before fixed assets fund and pension reserve	729,500	1,643,916
Restricted fixed asset fund	23,343,905	23,645,177
Pension reserve	(1,050,000)	(1,911,000)
Total funds	23,023,405	23,378,093

Individual brought forward balances per academy have been amended due to the prior period adjustments as detailed in note 29, relating to CIF accrued income and capital accrual adjustments.

The Central Trust, Barrow Hill Primary and Whittington Moor are carrying a combined deficit of £287,634. The Trust has encountered unforeseen cost increases in the year including transport and catering. The Academy Trust is taking action to return these balances to surplus.

#### Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2023	Total 2022 as restated
	£	£	£	£	£	£
Netherthorpe	4,830,977	1,184,996	376,333	1,496,319	7,888,625	7,046,587
Barrow Hill Primary	515,167	150,846	35,827	125,845	827,685	688,093
Dunston Primary and Nursery	1,421,412	225,934	60,296	269,484	1,977,126	1,815,847
Whittington Moor Nursery and Infant	491,585	95,427	7,407	71,030	665,449	651,322
Central services	471,155	330,655	5,668	577,274	1,384,752	1,291,361
	7,730,296	1,987,858	485,531	2,539,952	12,743,637	11,493,210



# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	23,342,474	23,342,474
Current assets	729,500	547,715	53,345	1,330,560
Current liabilities	-	(547,715)	(39,162)	(586,877)
Non-current liabilities	-	-	(12,752)	(12,752)
Pension scheme liability	-	(1,050,000)	-	(1,050,000)
<b>Total net assets</b>	<b>729,500</b>	<b>(1,050,000)</b>	<b>23,343,905</b>	<b>23,023,405</b>
<b>Fund balances at 31 August 2022 as restated are represented by:</b>				
Tangible fixed assets	-	-	23,496,227	23,496,227
Current assets	505,848	2,431,775	198,645	3,136,268
Current liabilities	-	(1,293,707)	(34,623)	(1,328,330)
Non-current liabilities	-	-	(15,072)	(15,072)
Pension scheme liability	-	(1,911,000)	-	(1,911,000)
<b>Total net assets</b>	<b>505,848</b>	<b>(772,932)</b>	<b>23,645,177</b>	<b>23,378,093</b>

### 20 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Derbyshire 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 that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £nil were payable to the schemes at 31 August 2023 (2022: £143,071) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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.

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations

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

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

The employer's pension costs paid to the TPS in the period amounted to £957,325 (2022: £890,246).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22.1% for employers and 5.5% to 12.5% 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.

Total contributions made	2023 £	2022 £
Employer's contributions	442,000	350,000
Employees' contributions	122,000	98,000
Total contributions	<u>564,000</u>	<u>448,000</u>

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations (Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	4.00	3.75
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25

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

	2023 Years	2022 Years
Retiring today		
- Males	20.8	21.1
- Females	23.8	23.8
Retiring in 20 years		
- Males	21.6	22.2
- Females	25.3	25.6

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

	2023	2022
Discount rate + 0.1%	(168,000)	(184,000)
Mortality assumption + 1 year	300,000	307,000
CPI rate + 0.1%	150,000	165,000
Pay growth + 0.1%	21,000	20,000

#### The academy trust's share of the assets in the scheme

	2023 Fair value £	2022 Fair value £
Equities	4,324,180	3,861,880
Corporate bonds	1,419,880	1,210,440
Property	516,320	518,760
Cash and other liquid assets	193,620	172,920
Total market value of assets	6,454,000	5,764,000

The actual return on scheme assets was £217,000 (2022: £(318,000)).

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	540,000	(978,000)
Interest income	(255,000)	98,000
Interest cost	338,000	(218,000)
Total operating charge	623,000	(1,098,000)

Changes in the present value of defined benefit obligations	2023 £	2022 £
At 1 September 2022	7,675,000	12,751,000
Current service cost	540,000	978,000
Interest cost	338,000	218,000
Employee contributions	122,000	98,000
Actuarial gain	(1,080,000)	(6,273,000)
Benefits paid	(91,000)	(97,000)
At 31 August 2023	7,504,000	7,675,000

Changes in the fair value of the academy trust's share of scheme assets	2023 £	2022 £
At 1 September 2022	5,764,000	5,731,000
Interest income	255,000	98,000
Actuarial loss	(38,000)	(416,000)
Employer contributions	442,000	350,000
Employee contributions	122,000	98,000
Benefits paid	(91,000)	(97,000)
At 31 August 2023	6,454,000	5,764,000

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 21 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2023 £	2022 as restated £
Net expenditure for the reporting period (as per the statement of financial activities)		(1,396,688)	(1,182,079)
Adjusted for:			
Capital grants from DfE and other capital income		(178,895)	(120,425)
Investment income receivable	6	(9,632)	(1,958)
Defined benefit pension costs less contributions payable	20	98,000	628,000
Defined benefit pension scheme finance cost	20	83,000	120,000
Depreciation of tangible fixed assets		611,391	702,263
Loss on disposal of fixed assets		20,080	-
(Increase) in debtors		(54,731)	(46,617)
(Decrease)/increase in creditors		(780,615)	517,150
<b>Net cash (used in)/provided by operating activities</b>		<b>(1,608,090)</b>	<b>616,334</b>

#### 22 Analysis of changes in net funds

	1 September 2022 as restated £	Cash flows £	31 August 2023 £
Cash	2,470,791	(1,665,785)	805,006
Loans falling due within one year	(2,320)	-	(2,320)
Loans falling due after more than one year	(15,072)	2,320	(12,752)
	<b>2,453,399</b>	<b>(1,663,465)</b>	<b>789,934</b>

#### 23 Commitments under operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amounts due within one year	87,158	34,205
Amounts due in two and five years	141,418	63,263
	<b>228,576</b>	<b>97,468</b>

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 24 Capital commitments

	2023 £	2022 £
Expenditure contracted for but not provided in the accounts	104,000	193,595

### 25 Related party transactions

Owing to the nature of the academy trust 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account.

### 26 Post balance sheet events

The trustees believe the academies within Cavendish Learning Trust will transfer into another multi academy trust within the next 12 months. At the date of transfer, the academies within Cavendish Learning Trust will continue their operations under the receiving trust, but Cavendish Learning Trust will cease operations. The trustees will oversee the closing down of Cavendish Learning Trust and will apply to Companies House for the company to be dissolved.

### 27 Members' liability

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

### 28 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. On 1 September 2022 it was holding undistributed funds of £30,109. During the accounting period ended 31 August 2023 the trust received £42,379 and disbursed £46,216 from the fund. An amount of £26,272 is included in other creditors relating to undistributed funds that is repayable to the ESFA.

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 29 Prior period adjustment

		1 September 2021	31 August 2022
	Notes	£	£
<b>Reconciliation of funds</b>			
Funds as previously reported		18,438,983	23,112,744
Adjustments arising:			
Salix loan repayment		-	1,160
CIF income		224,304	224,304
Transfers from GAG funds		39,885	39,885
Funds as restated		<u>18,703,172</u>	<u>23,378,093</u>
<b>Reconciliation of net income/(expenditure) for the previous financial period</b>	Notes		2022 £
Net expenditure as previously reported			(1,183,239)
Adjustments arising:			
Salix loan repayment			1,160
Net expenditure as restated			<u>(1,182,079)</u>

# CAVENDISH LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

29 Prior period adjustment

(Continued)

### Notes to restatement

#### Restatements affecting Surplus / (deficit) position and Fund balances

##### **Accrued income & Salix loan**

Accrued income in relation to CIF projects was underprovided in the previous year. The Trust were expecting to receive total income of £242,856 which included a Salix loan balance of £18,552. Therefore, an adjustment has been made to provide for understated CIF income of £224,304, the total Salix loan creditor of £18,552 and capital accrued income of £242,856.

##### **Fixed asset additions**

In the previous year, CIF project additional works of £39,885 and CIF project retentions of £33,463 were omitted from the financial statements. The additional works were funded through academy contributions and therefore, this has been adjusted through a transfer from GAG reserves. The capital retentions are a liability of the Trust and therefore, this has been adjusted for by introducing a capital accruals balance.

##### **Salix loan repayment**

In the previous year, a Salix loan repayment of £1,160 was incorrectly recorded as expenditure. The repayment has been adjusted against the loan balance above to fairly state the balance owed. The balance repayable on the Salix loan as at 31 August 2022 was £17,392. This balance has been appropriately aged in line with repayment terms.

#### Presentational restatements

##### **Depreciation cost allocation**

In line with the Academies Accounts Direction, depreciation on assets which are directly relating to the provision of education should be analysed as a Direct cost. In the previous year, depreciation on these assets were disclosed as support costs. The depreciation charge was material at £533,146 and therefore has been presentationally reclassified within Charitable activities between Direct and Support costs.

##### **Pension cost allocation**

In the previous year, LGPS pension valuation expenses of £748,000 were shown within Direct costs. As the LGPS pension relates to substantially support staff, this balance was presentationally misallocated in the prior year accounts. Therefore, we have made a presentational audit adjustment of £748,000 to reclassify the pension valuation expense from Direct costs to Support costs.