

REGISTERED COMPANY NUMBER: 09061804 (England and Wales)

Children's Academy Trust Limited
(A Company Limited by Guarantee)
renamed
Creative Children's Academy Trust
(on 20th August 2021)

**Report of the Trustees and
Financial Statements for the Year Ended 31 August 2021**

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



Creative Children's Academy Trust

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Creative Children's Academy Trust

Reference and Administrative Details for the Year Ended 31 August 2021

MEMBERS

K Bottomley
P Davis
S Faulkner-Duke
S Walker

TRUSTEES

J Armstrong
C Cannings
W.Ryan
A Sandhal
T Toms
S Walker Chair of Trustees
M Ward

TRUST EXECUTIVE TEAM

T Toms Chief Executive Officer, Accounting Officer and Head
Teacher, Thorpe Hesley Primary School
A Wirth Head Teacher, Anston Greenlands Primary School
A Bradbury Head Teacher, Redscope Primary School
H Screaton Chief Finance Officer
A Humphries Executive Assistant to Chief Executive Officer

COMPANY NAME

Children's Academy Trust Limited (to 19th August 2021)
Creative Children's Academy Trust (from 20th August 2021)

For the purposes of this report, the Trust will be referred to by its new
Name, Creative Children's Academy Trust or CCAT

REGISTERED OFFICE

Anston Greenlands Primary School (to 28th August 2021)
Edinburgh Drive
North Anston
Sheffield, S25 4HD

Thorpe Hesley Primary School (from 29th August 2021)
Upper Wortley Road
Thorpe Hesley
Rotherham
South Yorkshire, S61 2PL

REGISTERED COMPANY NUMBER

09061804 (England and Wales)

INDEPENDENT AUDITORS

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

BANKERS

Lloyds Bank
232 Bawtry Road
Wickersley
Rotherham
South Yorkshire, S66 1AA

SOLICITORS

Taylor Bracewell
17-23 Thorne Road
Doncaster
South Yorkshire, DN1 2RP

Creative Children's Academy Trust

Report of the Trustees for the Year Ended 31 August 2021

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

The Trust operates three Primary academies in Rotherham, South Yorkshire - Anston Greenlands Primary School, Redscope Primary School and Thorpe Hesley Primary School. Its academies have a combined pupil capacity of 1119 and had a roll of 1212 (which includes 139 pupils in early years). These figures are taken from the school census of 20th May 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Creative Children's Academy Trust (CCAT) is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of CCAT are also the directors of the charitable company for the purposes of company law. The charitable company operates as Creative Children's Academy Trust.

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

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10.00, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

In accordance with normal commercial practice, the academy trust protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. This is provided through the DfE's Risk Pooling Arrangement and provides cover up to £10,000,000 on any one claim.

Method of recruitment and appointment or election of new trustees

Members may agree by passing a special resolution to appoint such additional members as they think fit. The Trust currently has 4 Members (the minimum is 3). It is aware of the Department for Education's recommendation that Trusts should ideally have at least five members, though the Trust may choose to have more or less than five. The Trust aims to appoint a fifth member, subject to the availability of a suitable candidate.

The Members may appoint up to 12 Trustees by Ordinary Resolution under Article 50. Trustees may themselves appoint Co-opted Trustees under Article 58.

By ordinary resolution under Article 57, the Trust's Chief Executive Officer has been appointed as a Trustee without a vote.

The Trust's governance structure includes a local-level governing body at each of its academy schools. There are parent-elected governors at each CCAT school, which satisfies the provisions of Article 101A. There are therefore no parent Trustees on the Board.

The Trust believes that the size of the Board of Trustees should reflect its strategic role and its relative size as a multi-academy trust. The latest Board skills evaluation shows the current Trust Board to be small but dynamic, with a wealth of skills and experience relevant to its role.

Policies and procedures adopted for the induction and training of trustees

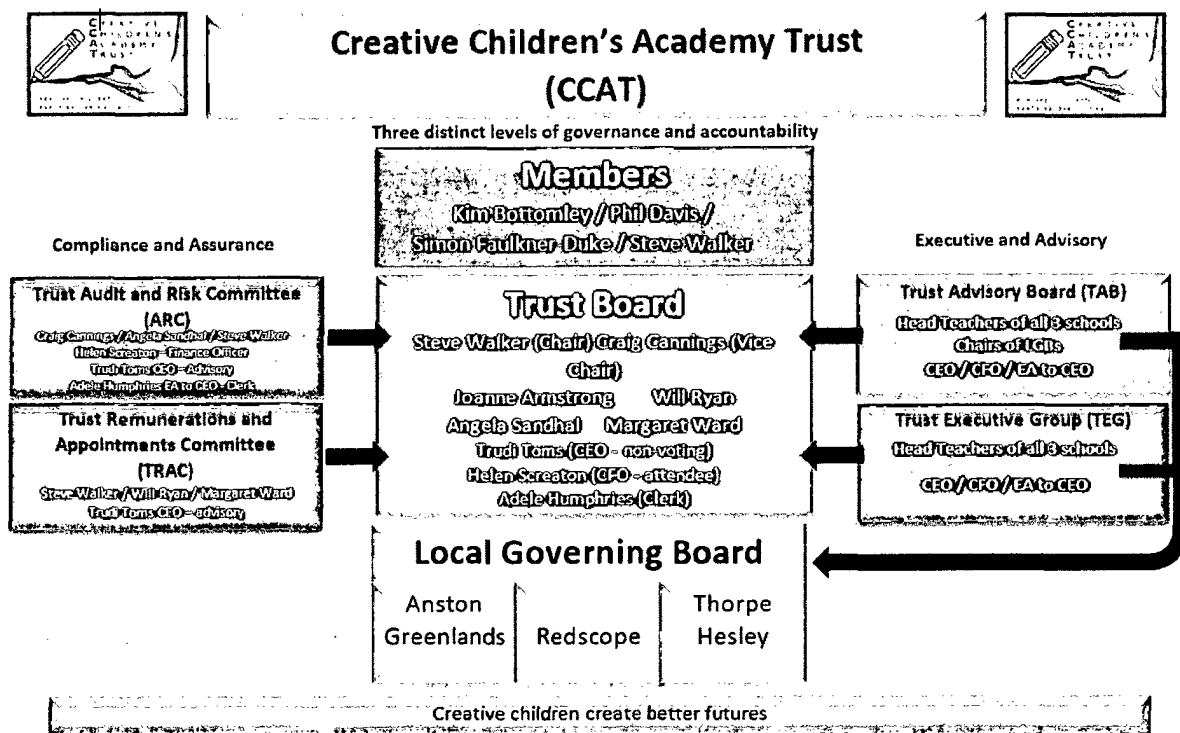
Trustees receive briefing on the role of a Director of a Company, the role of a charity trustee and the Trust governance model. The remainder of the briefing is dependent on individual circumstances. The Trust's processes for the induction and training of trustees are being reviewed in the light of the outcomes of the autumn 2021 skills survey.

Creative Children's Academy Trust

Report of the Trustees for the Year Ended 31 August 2021

Organisational structure

The Chief Executive Officer (CEO) is the Accounting Officer (AO) for the Trust. Operational issues are managed by the CEO and the Trust Executive Group, which comprises the Head Teachers of the Trust schools, with the Trust Chief Finance Officer (CFO) and the CEO's Executive Assistant. The Trust has an Advisory Board which brings together the Chairs of the Local Governing Boards with the CEO, Head Teachers, CFO and EA/CEO.



Arrangements for setting pay and remuneration for key management personnel

The Trust has opted to continue to follow nationally agreed recommendations for pay and remuneration for its schools. The pay and remuneration of the Trust's key management personnel therefore reflect the benchmarks, parameters and criteria set at a national level. The adoption of the national agreements was a recommendation of the Local Authority with which the Trust has a Service Level Agreement for Human Resources services, including pay and conditions and payroll. For the setting of pay relating to posts not covered by the arrangements for schools, the Trust has taken into account the DfE's guidance on setting executive pay and undertaken bench-marking exercises to ensure rates are appropriate to the grade.

Trade Union Facility Time

During the accounting period there were no employees who were relevant union officials during the relevant period.

Related parties and other connected charities and organisations

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

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Trust's objects are specified in its Articles of Association: "To advance for the public benefit.....by establishing.....and developing schools.....to provide full or part time education for children of compulsory school age". "Creative children create better futures" is the concept which best describes our global aim. The drivers of the Creative Children's Academy Trust can be described by these three simple statements, one from each of our schools - "love to learn", "to be the best we can be" and "where children grow". Schools that are part of the Trust share a common bond and that is to achieve the mission and goals through the use of creativity in everything we do.

Creative Children's Academy Trust

Report of the Trustees for the Year Ended 31 August 2021

Achievement of Objectives

Over the period of this report, the Trust has continued work to embed the shared ethos and mission throughout our schools and has focused efforts in five key areas:

Working to consolidate processes and systems to work efficiently as one organisation - the Trust has devised and implemented systems for the consolidation of Trust management accounting processes and agreed procedures for the reporting of financial information to Trustees. It has also implemented a Trust-wide Internal Audit programme.

Joint endeavours to continually push for creativity in the curriculum so that our model and approach is something that other academy trusts respect and want to emulate - the Trust is very proud of all of its schools for their contributions to strategic Focus Groups, covering a range of curricular themes, from Creativity, Early Years Foundation Stage, core subjects like Maths, English and Science, to Outdoor Learning and Sports and PE.

Building on our experience and excellent response to the challenges posed by Covid 19 in order to keep as many of our children as possible in a safe and welcoming learning environment - attendance numbers and engagement throughout the pandemic have been excellent in all three schools. Throughout the pandemic all three schools had extremely high levels of engagement with those families unable to attend due to lockdown. On return to full time education, the schools had an overall attendance of 96.6% or better by the final day of the academic year, ranging 95.2% to 97.6% across the schools. The small dip in percentage from usual figures is attributed to families taking some Term Time leave (unauthorised) as the holiday settings opened. Some of these were due to covid cancellations needing to be rescheduled.

In cases where individual children, "bubbles" or classes were forced to stay at home, our remote learning provision was welcomed and applauded by parents and carers in all schools as evidenced by the highly positive results of, and comments from, Parent Remote Learning surveys carried out:

"Being able to continue the relationship between the staff and my child which will hopefully help when my child returns to school."

"Every effort has been made to continue children's learning and keep it as similar to the learning they would experience at school as possible."

"The level of effort, quality, and passion shown by the teaching staff, and communication, use of technology, and lesson plans from the school is fantastic."

Taking action quickly and decisively in the face of individual break-outs of positive Covid tests and/or regional surges in cases - despite all the practical difficulties, all of the Trust schools have stayed open throughout. Sometimes, this was down to the pure grit and will-power of just a handful of staff when colleagues had fallen ill.

Keeping our parents, carers and learning community informed of choices and decisions and making Risk Assessments available online - our schools have worked extremely hard to make sure that information was timely, clear and comprehensive without overloading. Information has been consistently updated and available to stakeholders and parents via remote teaching lessons, email and school websites. The open-door policy of our schools ensured parents felt supported at all points during the pandemic changes both academically and emotionally.

A public statement of thanks

Throughout the difficult periods at the height of the pandemic, the Trust has witnessed staff, particularly the Head Teachers, go far beyond what is considered to be their duty. Governors at each of the three schools have played a vital part in supporting the efforts of the schools in extremely testing and unprecedented times. Throughout the year, Trustees and Governors alike have extended their thanks to staff and children for what has been achieved. Trustees would, however, like to place on public record through this report its admiration and appreciation of the dedication of staff and those people who regularly volunteer their time for our schools. The commitment, resilience and fortitude shown has been, and continues to be, inspiring.

Public Benefit

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

Creative Children's Academy Trust

Report of the Trustees for the Year Ended 31 August 2021

STRATEGIC REPORT

Key Performance Indicators

Like all schools and businesses across the country, Trust schools have experienced significant disruption due to the pandemic. Performance outcomes across year groups in our schools were, however, generally very pleasing overall. A full analysis of data has shown:

- EYFS outcomes were slightly lower than usual but good progress was made from entry. These were affected by lack of 'social' interaction but staff in all three schools ensured home learning took place for the majority of pupils to support learning and maintain relationships. This was effective and was 'paid forward' as children were happy to return to school and settled quickly. Our schools were above regional outcomes, and at or above national.
- Phonics results were good at both Y1 and Y2. Phonics was well taught, even remotely, and had high engagement. Great results in Y2 show that, over the two years, skills have been embedded and despite some time spent away from school, children retained the basics. Results were well above regional and national outcomes.
- Year 2 Expected+ results were lower than 'non-pandemic' - as expected - but relatively good. Greater Depth attainment was low, particularly in writing. Remote learning meant that sustained practice with teacher input happened less. Lack of higher order skills affected outcomes including speed and stamina. In writing, lack of comprehensive evidence meant that staff were less likely to judge pupils' attainment high.
- Year 4 Multiplication Tables Check Results were good, and all three schools feel this has become well embedded in practice.
- Year 6 Expected+ results lower than 'non-pandemic' but relatively good, other than in maths, compared to current regional and national data. Greater Depth attainment was low in writing at two schools, and we feel this is a teacher assessment confidence issue due to lack of available evidence. Remote learning meant that sustained practice with teacher input happened less. As with other year groups, a lack of higher order skills affected outcomes (including speed and stamina) particularly for reasoning elements in maths. In writing, lack of comprehensive evidence meant that staff were less likely to judge pupils' attainment high. The CCAT English Focus Group is paying particular attention to these areas across the schools.

The Trust Executive Group has interrogated data across the schools and is utilising expertise from both internal and external sources to address issues. The data analysis has been shared with the Trust Board and with all three LGBs. This work has informed plans for School Improvement. The three schools have their own specific Plans which are monitored by Governors locally, but the process of developing the Plans includes a joint development event for all Senior Leadership Teams (SLTs) so that strategic objectives will reflect individual school profiles and capture Trust-wide development initiatives. Trustees are satisfied that CCAT schools have a good grasp and understanding of the priorities, particularly the areas most affected by the impact of the pandemic. This has been a year of uncertainty and rapid change, where safety has been of paramount importance. In these circumstances, Trustees feel the results achieved were remarkable.

In terms of finance, the Trust has worked hard during the reporting period to achieve a level of consistency of financial processes and policy across its schools. The Board commends the work of the Chief Finance Officer and the School Business Managers to review and revise existing practices to streamline financial management across Trust schools. Trustees have welcomed a new and clearly presented format for consolidated finance reports at Trust level. These are reviewed on a monthly basis firstly by the Trust Chair and Lead Trustee for Finance, and then shared with all Trustees under cover of a key issues note produced by the Lead Trustee. Financial management is kept at Board level, a decision reflecting the need for comprehensive scrutiny during a period of strategic change and consolidation.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Creative Children's Academy Trust

Report of the Trustees for the Year Ended 31 August 2021

Financial Review

The largest proportion of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from ESFA and associated expenditure for the year ended 31 August 2021 are shown in restricted funds in the Statement of Financial Activities.

The Trust also receives grants from ESFA and from other government bodies, including capital grants. In accordance with Statement of Recommended Practice 2019 ("SORP 2019") such grants are also shown in the Statement of Financial Activities as restricted income.

On 1 September 2020, two schools joined the Trust. This transfer has been accounted for as a combination that is in substance a gift. Net assets of £7,456,906 were gifted from the local authority, comprising land & buildings (£8,795,500), other fixed assets (£86,275), bank balances (£472,131), less the Local Government Pension Scheme ("LGPS") deficit (£1,897,000).

Including the net value of this transfer and reflecting the expansion of the Trust to 3 schools, during the year ended 31 August 2021, total income was £13,199,045 (2020: £1,015,914) and total expenditure was £6,448,343 (2020: £1,133,107). Net income was £6,750,702 (2020: net expenditure: £117,193).

An actuarial loss of £407,000 (2020: gain of £87,000) arose on the Trust's share of the Local Government Pension Scheme (LGPS) deficit during the year. The Statement of Financial Activities therefore shows a total net increase in funds in the year of £6,343,702 (2020: decrease of £30,193).

Inheriting the LGPS deficits of the two new schools joining the Trust, together with the actuarial loss and other movements arising during the year at all 3 schools has resulted in an LGPS deficit of £3,533,000 as at 31 August 2021 (2020: £846,000). The size of the pension deficit is an issue for the whole academies sector. No additional deficit contributions have been required by the actuary at the 2 new schools since conversion. However, the Trustees will continue to follow actuarial advice in respect of any additional deficit contributions that may be required in future following the next triennial valuation.

At 31 August 2021, the Trust had net assets/total funds of £7,488,119 (2020: £1,144,417). This comprised fixed assets with a net book value of £10,366,058 (2020: £1,755,642), other assets of £1,045,302 (2020: £281,437) (including bank balances of £813,272 (2020: £254,266), and liabilities (excluding the LGPS pension deficit) of £390,241 (2020: £46,662). Net current assets were £661,481 (2020: £242,479).

Reserves and Investment Policy

The work to review and align budgeting and finance processes has given the Trust Board confidence now in its consolidated financial position, allowing the Trust to move forward on setting a Reserves and Investment policy. The policy has been developed in the context of the experience of managing the Coronavirus pandemic in our schools, the additional associated costs and realistic extrapolation of costs considered likely in the wake of extended or new virus management arrangements in future years. It therefore allows for the development of central reserves to cover such eventualities. It also specifies that individual schools must agree with their Governing Boards a plan for the use of reserves held at local level.

The Trust did not allocate specific funds for investment, capital or otherwise in the reporting period. An application for additional funds to invest in the improvement of property and infrastructure at both Redscope and Thorpe Hesley schools is being made to the 2022-23 Condition Improvement Fund (CIF) administered by the Department for Education. In prior years, Anston Greenlands school has benefitted from capital investment of just under £0.5 million through two previous CIF competitions.

The Trust's unrestricted reserves at 31 August 2021 are £277,551 (2020 - and relating to the single school in the Trust: £176,822)

Creative Children's Academy Trust

Report of the Trustees for the Year Ended 31 August 2021

Principal risks and uncertainties

The principal risks in this period have been those associated with the impact of the Covid-19 pandemic, particularly:

- The physical and mental health of pupils, and the implications for family life and the communities we serve
- The physical and mental health of staff, especially the risk of burn-out
- The additional cost of keeping schools clean and safe
- The huge task of mitigating the effects of the loss of classroom time for pupils

As stated in the Financial Review above, another key consideration for the Trust arising from the joining of the two schools in the reporting period is the position of the Local Government Pension Scheme (LGPS) and the levels of deficit calculated by the Actuary. For LGPS funding purposes (which is calculated on a different basis to the accounts basis), the Actuary confirmed that, no additional pension deficit contributions were required as a result of the two schools joining the Trust. The Trust will continue to follow actuarial advice and is aware that deficit contributions may be required following the next triennial actuarial valuation of the LGPS. Financing the LGPS funding deficit is an issue faced by the whole academies sector. Ensuring the Trust's ability to manage this risk has been a key factor in the consideration of the Trust's policy for Reserves and Investment and the levels of unrestricted reserves being carried forward.

Fundraising

The Trust does not have a fundraising strategy, nor does it use any external fundraisers.

Fundraising at Trust schools is self-managed and promoted and conforms with school finance policy. The monitoring of fundraising activity in schools is undertaken by the local governing board.

Plans for Future Periods

As a small MAT of three primary schools, we are well aware of the limitations of expertise and experience we may have access to internally. As a result, the CCAT has an outward facing model of collaborating with other partners. Work is planned not only across the three partner schools, but also in partnership with Rotherham secondary colleagues. The schools in CCAT are working on identified curriculum areas with other settings, from primary to post-16, to access a wider expertise as well as national projects and funding. For example, we are actively involved with others in the areas of oracy, reading, writing and sports and PE. Some of these areas are for local development whilst others engage in national strategies. They are all designed to engage and empower staff as well as further develop high quality provision within our schools. We are highly aware of the issues brought by the recent pandemic and are working not only to address these but also to pursue our aspirations for excellence.

Within other strategic areas for the Trust, CCAT has brokered information and support via external bodies - including local authority, Teaching School Alliances, schools in the locality and other multi academy trusts. CCAT has a strong belief that to develop our schools, interactions, support, guidance and collaboration with others is key. Plans are in place for partner work to continue across many areas including curriculum, strategic and policy work with a variety of partners.

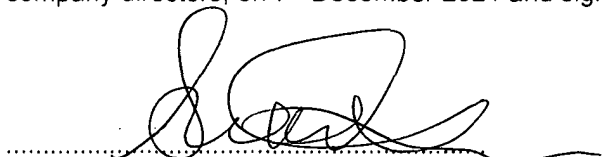
AUDITORS

Insofar as the trustees are aware:

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

The Trust intends to conduct formal evaluation of value for money in key service level agreements as a consequence of its growth beyond a single academy MAT. Until the point of re-tendering, the Board's considered view is that it is appropriate to retain the service of the existing Auditor because of the value of their in-depth knowledge of the Trust as a business.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 7th December 2021 and signed on the board's behalf by:



Mr S Walker – Chair of Trustees

Creative Children's Academy Trust

Governance Statement for the Year Ended 31 August 2021

Scope of Responsibility

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

We have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer (CEO), as Accounting Officer (AO), for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Creative Children's Academy Trust and the Secretary of State for Education. As AO, the CEO is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

CCAT's model of governance includes a Governing Body in each school. The levels of authority delegated to both the Governing Body and the Head Teacher of Trust schools are set out in a published Scheme of Delegation.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. In addition to its Annual General Meeting, the Board of Trustees has formally met 7 times during the year. Two of the seven meetings were Extraordinary, called to address an increased workload and need for additional assurance during the Covid-19 pandemic. Attendance was as follows:

Board of Trustees	Meetings Attended	Out of a possible
Trustee		
J Armstrong	6	7
C Cannings (Vice-Chair)	6	7
W Ryan	7	7
A Sandhal	3	7
T Toms (Chief Executive Officer and Accounting Officer)	7	7
S Walker	6	7
M Ward	7	7

For the period of this report, the Board of Trustees elected not to delegate finance to a sub-committee of the Board. The reasons for this are two-fold. Firstly, as a newly formed multi-academy trust, the consolidation and monitoring of the Trust combined budget was considered a business-critical activity in the first twelve months of operation. The Board has, amongst its Trustees, a qualified and experienced Accountant, who serves as Lead Trustee for Finance. Keeping Finance at Board level has provided a development opportunity for the other Trustees with more limited finance experience to learn about academy funding. The arrangement has worked very well in a small Board setting.

Creative Children's Academy Trust

Governance Statement for the Year Ended 31 August 2021

The Board has appointed an Audit and Risk Committee (ARC). The Committee met 3 times during the year.

Audit and Risk Committee	Meetings Attended	Out of a possible
Trustee		
C Cannings (Chair)	3	3
A Sandhal	2	3
S Walker	2	2

The attendance of Trustees has been reviewed during the period of the report. The Trust Executive is aware that some Trustees have their own work commitments and priorities which mean they cannot attend Board meetings on occasion. The Board accepts that this is something that cannot be avoided when working professionals are part of the team. The value those individuals bring to the group dynamic is beyond question.

There have been no changes to the composition of the Board during the reporting period. Trustees have met the challenge of keeping up with their work programme during the restrictions brought about by Covid 19. Two additional Board meetings were called during the reporting period to manage the additional assurance work arising from the pandemic.

The Trust Executive has asked for feedback from the Trust Board about the quality of the information and data provided for review and consideration. Trustees have been complimentary about the scope, presentation and mediation of the considerable amounts of information they have received.

The Board has recently participated in a Skills Audit after 12 months of operation as a MAT, as part of the review of its effectiveness. The results of this work are part of Trust-wide review of vision, mission and high-level objectives in the context of the impact of Covid on children, staff and a new direction for improvement in our schools.

Governance reviews

The next review of governance will be externally commissioned, in line with Departmental advice.

Review of Value for Money

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

The Accounting Officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved.

The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Using the independent professional expertise of Trustees to assess and inform reviews of school improvement strategies.
- Developing Focus groups as part of the Trust's continuous improvement strategy, working in key curriculum areas. The creative nature of the curriculum in CCAT schools is a key strength and the groups bring together experts and leaders from each Trust school working in collaboration to explore and challenge and ultimately deliver products and improvements for the benefit of all children in all schools. The Focus groups will be further developed in 2021-2022.
- Working with contracted services through service level agreements and with the Trust's financial management professional to develop and improve financial reporting systems.

Creative Children's Academy Trust

Governance Statement for the Year Ended 31 August 2021

- Exploring different ways of supporting parents and families facing difficulties by drawing on the expertise of Trustees.
- Carrying out a review of contracted-in services across Trust schools. This has resulted in savings by contracting as a Trust rather than as separate schools.
- Developing relationships with other schools to achieve added curricular benefits and experiences for CCAT children.
- Developing relationships with other MATs to investigate further potential cash savings and better value for money on key contracted services such as property management and Health and Safety. This will continue to be a key focus in 2021-2022.

Covid-19 Procurement

As last year, many additional purchases of PPE and cleaning products were again required. Some, but not all of these costs were covered by government grants. The usual procurement procedures were followed with finance officers continuing to source quotes and ensure best value.

The unbudgeted costs directly relating to Covid management have had to be absorbed by the schools, such as additional staffing to cover sickness absence and/or management of bubble arrangements in school, additional cleaning hours and more staff to cover staggered lunches. Each school's efforts to ensure its premises conformed to Covid regulations resulted in additional costs. The net effect of rigorous Covid management in schools will always result in increased spending which is difficult to profile and plan for under continuously changing circumstances.

The Purpose of the System of Internal Control

CCAT has undergone significant change during the period of the report. 2020-21 was the year it transitioned from an "empty" MAT with a single school to a MAT of three primary schools. The system of internal control in academy trusts 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. That said, because of the levels of change being managed by the Trust, the Board of Trustees has been keen to ensure that systems of internal control have been both robust and effective.

The Trust's approach to internal control is multi-faceted. CCAT has bought in Internal Audit services for all its schools from an external provider. Though external, the provider has excellent knowledge of our academy schools and the education sector. The report of each school Audit is considered by the school governing body which agrees an action plan to address any recommendations. As well as being informed of local level recommendations and action, the Trust's Audit and Risk Committee (ARC) takes ownership of any identified actions which impact across the MAT. The work of ARC is reported to the Board of Trustees. On internal finance and process matters, the Trust Chief Finance Officer works with the School Business Managers to review and develop systems. This work is supported, on a purely advisory basis, by the lead Trustee for Finance and Risk, who is professionally qualified.

The system of internal control has been in place in the Creative Children's Academy Trust for the period 1st September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Creative Children's Academy Trust

Governance Statement for the Year Ended 31 August 2021

Capacity to Handle Risk

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

The Risk and Control Framework

CCAT's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In its first year, the Trust has built a framework that includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- The detailed review of monthly budget reports by the Chair of Trustees and the Lead Trustee for Finance, the output of which is a high-level key-point summary circulated to all Trustees.
- The identification and management of risks.

The Trust's arrangements for internal scrutiny meet the revised FRC Ethical Standard for auditors. It buys in its internal audit service from Rotherham Metropolitan Borough Council (RMBC). RMBC auditors have attended each of the Trust's school during the reporting period. The focus for the internal scrutiny programme in this first year has been Financial Controls, given that it is the first year that the three schools' systems are working under the auspices of the Trust. Each school has received a comprehensive audit report which has been submitted to the Local Governing Board (LGB). Recommendations for local action (ie specific to the school) have been monitored by LGBs. The Trust's Audit and Risk Committee (ARC) has also received copies of all reports and has taken responsibility for monitoring progress against Trust-wide recommendations. RMBC has provided an annual summary report for consideration by ARC which has informed the internal audit scrutiny programme for 2021-22. A summary of all ARC's work in the reporting period has been submitted to the Board in the form of an annual report.

RMBC has delivered its schedule of work as planned. There were no material control issues identified. All three schools achieved Reasonable or Substantial Assurance ratings. School level recommendations have been implemented and the Trust's Audit and Risk Committee (ARC) is overseeing the remaining Trust-wide recommendations.

Review of Effectiveness

As Accounting Officer, the Trust's 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:

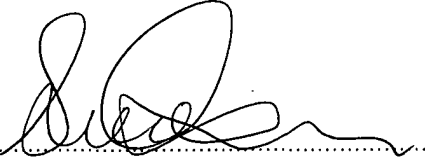
- the work of the internal auditor (external provision under service level agreement by Rotherham Metropolitan Borough Council)
- the work of the external auditor, Harris & Co
- the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have 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 Trust's Audit and Risk committee (ARC) [and a plan to address weaknesses [if relevant] and ensure continuous improvement of the system is in place.

Creative Children's Academy Trust

**Governance Statement
for the Year Ended 31 August 2021**

Approved by order of the members of the board of trustees on 7th December 2021 and signed on its behalf by:



Mr S Walker
Chair of the Board of Trustees



Mrs Tudi Toms
Trust Accounting Officer

Creative Children's Academy Trust

**Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2021**

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

I confirm that I and the Academy Trust 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 charitable company's funding agreement and the Academies Financial Handbook 2020.

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



Mrs Trudi Toms
Trust Accounting Officer

7th December 2021

Creative Children's Academy Trust

Statement of Trustees' Responsibilities for the Year Ended 31 August 2021

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

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

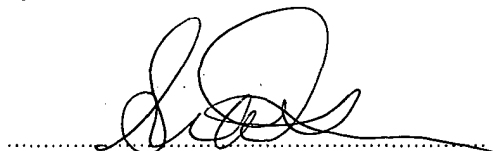
- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.
- make judgments and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 7th December 2021 and signed on its behalf by:



Mr S Walker
Chair of the Board of Trustees

Report of the Independent Auditors to the Members of Creative Children's Academy Trust

Opinion

We have audited the financial statements of Creative Children's Academy Trust (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Emphasis of matter

As described in the fixed assets accounting policy, the valuation of land and buildings for Thorpe Hesley Primary School and Redscope Primary School transferred on conversion was provided by the local authority as the ESFA's centrally procured valuation is not yet available. If necessary, any adjustments will be made in the following year's accounts. Our opinion is not modified in respect of this matter.

Other information

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

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

Report of the Independent Auditors to the Members of Creative Children's Academy Trust

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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:

Report of the Independent Auditors to the Members of Creative Children's Academy Trust

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Enquiring of management and those charged with governance, including obtaining and reviewing supporting documentation, concerning the charitable company's policies and procedures relating to:
- Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- The internal controls established to mitigate risk related to fraud or non-compliance with laws & regulations;
- Obtaining an understanding of the legal and regulatory frameworks that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the charitable company. The key laws and regulations we considered in this context included the UK Companies Act, Charities SORP (FRS102), UK Generally Accepted Accounting Practice and the Education and Skills Funding Agency's (ESFA) Academies Financial Handbook and Accounts Direction.

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

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing the judgements used in accounting estimates to assess whether these may be indicative of potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

Use of our report

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



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

Date: 7 December 2021

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

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

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

Respective responsibilities of Creative Children's Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Creative Children's Academy Trust's funding agreement with the Secretary of State for Education dated 30 October 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

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

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

Conclusion

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

Ks+Co

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

Date: *7 December 2021*

Creative Children's Academy Trust

**Statement of Financial Activities
for the Year Ended 31 August 2021**

				2021	2020	
	Notes	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	9,287	-	6,385	15,672	41
Transfer from Local Authority on conversion	25	-	(1,477,490)	8,934,396	7,456,906	-
Charitable activities						
Funding for the academy's educational operations	3	-	5,487,424	-	5,487,424	949,692
Other trading activities	4	238,964	-	-	238,964	66,046
Investment income	5	79	-	-	79	135
Total		248,330	4,009,934	8,940,781	13,199,045	1,015,914
EXPENDITURE ON						
Raising funds	7	-	-	-	-	3,857
Charitable activities						
Academy's educational operations	6	147,601	6,003,983	296,759	6,448,343	1,129,250
Total	6	147,601	6,003,983	296,759	6,448,343	1,133,107
NET INCOME/(EXPENDITURE)						
		100,729	(1,994,049)	8,644,022	6,750,702	(117,193)
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	(407,000)	-	(407,000)	87,000
Net movement in funds		100,729	(2,401,049)	8,644,022	6,343,702	(30,193)
RECONCILIATION OF FUNDS						
Total funds brought forward		176,822	(796,703)	1,764,298	1,144,417	1,174,610
TOTAL FUNDS CARRIED FORWARD		277,551	(3,197,752)	10,408,320	7,488,119	1,144,417

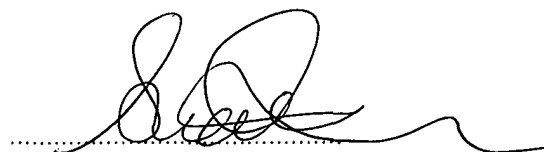
The notes form part of these financial statements

Creative Children's Academy Trust (Registered number: 09061804)

**Balance Sheet
31 August 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	14	10,366,058	1,755,642
CURRENT ASSETS			
Stocks	15	2,189	2,103
Debtors	16	229,841	25,068
Cash at bank		813,272	254,266
		<u>1,045,302</u>	<u>281,437</u>
CREDITORS			
Amounts falling due within one year	17	(383,821)	(38,958)
NET CURRENT ASSETS		<u>661,481</u>	<u>242,479</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,027,539</u>	<u>1,998,121</u>
CREDITORS			
Amounts falling due after more than one year	18	(6,420)	(7,704)
PENSION LIABILITY	21	(3,533,000)	(846,000)
NET ASSETS		<u>7,488,119</u>	<u>1,144,417</u>
FUNDS	20		
Restricted funds:			
Restricted General		335,248	49,297
Restricted Fixed Asset		10,408,320	1,764,298
Restricted - Pension		(3,533,000)	(846,000)
		<u>7,210,568</u>	<u>967,595</u>
Unrestricted funds:			
General fund		<u>277,551</u>	<u>176,822</u>
TOTAL FUNDS		<u>7,488,119</u>	<u>1,144,417</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 7th December 2021 and were signed on its behalf by:



Mr S Walker
Chair of Trustees

The notes form part of these financial statements

Creative Children's Academy Trust

Cash Flow Statement for the Year Ended 31 August 2021

	2021	2020
Notes	£	£
Cash flows from operating activities		
Cash generated from operations 1	149,813	10,249
Net cash provided by operating activities	149,813	10,249
Cash flows from investing activities		
Purchase of tangible fixed assets	(69,401)	(7,741)
Capital grants from DfE/EFA	6,385	(3,911)
Interest received	79	135
Net cash used in investing activities	(62,937)	(11,517)
Cash transferred on conversion to an academy	472,130	-
Change in cash and cash equivalents in the reporting period	559,006	(1,268)
Cash and cash equivalents at the beginning of the reporting period	254,266	255,534
Cash and cash equivalents at the end of the reporting period	813,272	254,266

The notes form part of these financial statements

Creative Children's Academy Trust

**Notes to the Cash Flow Statement
for the Year Ended 31 August 2021**

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

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	6,750,702	(117,193)
Adjustments for:		
Depreciation charges	340,760	43,510
Capital grants from DfE/ESFA	(6,385)	3,911
Transfer from Local Authority on conversion	(7,456,906)	
Interest received	(79)	(135)
Increase in stocks	(86)	(466)
(Increase)/decrease in debtors	(204,786)	35,417
Increase/(decrease) in creditors	343,593	(10,795)
Difference between pension charge and cash contributions	<u>383,000</u>	<u>56,000</u>
Net cash provided by operations	<u><u>149,813</u></u>	<u><u>10,249</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/20 £	Cash flow £	At 31/8/21 £
Net cash			
Cash at bank	<u>254,266</u>	<u>559,006</u>	<u>813,272</u>
	<u>254,266</u>	<u>559,006</u>	<u>813,272</u>
Total	<u><u>254,266</u></u>	<u><u>559,006</u></u>	<u><u>813,272</u></u>

Creative Children's Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Basis of preparing the financial statements

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

Going concern

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

Critical accounting judgements and key sources of estimation uncertainty

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

Critical accounting estimates and assumptions:

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

As the Trustees did not feel it was an appropriate use of public funds to procure its own professional valuation, the land and buildings at Thorpe Hesley Primary School and Redscope Primary School have been transferred into the Trust based on a desktop valuation prepared on a depreciated replacement cost existing use basis by a Rotherham MBC Estates Surveyor as at 1 April 2019, which is not expected to be materially different to the fair value at the date of conversion. The Trust also requested a valuation of these land and buildings through the ESFA's own centrally procured valuation, but that valuation was not completed before the annual accounts deadline. If necessary, any adjustments required to the Rotherham MBC figures when the ESFA valuation is available will be made in the following year's accounts.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes to the accounts, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Creative Children's Academy Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES - continued

Critical accounting judgements and key sources of estimation uncertainty

Capital grants, including those from the Condition Improvement Fund, are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised on a receivable basis and upon entitlement, and not deferred over the life of the asset on which they are expended. Where entitlement occurs before income is received, the income is accrued.

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

Income

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

Grants are included in the Statement of financial activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

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

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

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

Interest receivable

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

Expenditure

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

Creative Children's Academy Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES - continued

Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets

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

Leasehold land and buildings	-	Straight line between 20 and 50 years
Furniture and equipment	-	Straight line between 4 and 10 years
Computer equipment	-	Straight line between 3 and 5 years

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

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

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

Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

As the Trustees did not feel it was an appropriate use of public funds to procure its own professional valuation, the land and buildings at Thorpe Hesley Primary School and Redscope Primary School have been transferred into the Trust based on a desktop valuation prepared on a depreciated replacement cost existing use basis by a Rotherham MBC Estates Surveyor as at 1 April 2019, which is not expected to be materially different to the fair value at the date of conversion. The Trust also requested a valuation of these land and buildings through the ESFA's own centrally procured valuation, but that valuation was not completed before the annual accounts deadline. If necessary, any adjustments required to the Rotherham MBC figures when the ESFA valuation is available will be made in the following year's accounts.

Financial instruments

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

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

Creative Children's Academy Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES - continued

Financial instruments

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in the notes to the accounts. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stocks

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

Taxation

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

Fund accounting

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

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

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

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

Pension costs and other post-retirement benefits

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

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

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

Creative Children's Academy Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

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

Conversion to an academy

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

Debtors

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

Cash at bank and in hand

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

Liabilities and provisions

- Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Donations	9,287	-	9,287	3,952
Grants	-	6,385	6,385	(3,911)
	<u>9,287</u>	<u>6,385</u>	<u>15,672</u>	<u>41</u>

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

	2021 £	2020 £
Capital grants	<u>6,385</u>	<u>(3,911)</u>

Creative Children's Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
DfE/ESFA grants				
General Annual Grant (GAG)	-	4,192,007	4,192,007	804,121
Other ESFA grants	-	31,391	31,391	3,703
Pupil Premium	-	279,864	279,864	29,779
UIFSM	-	111,170	111,170	34,742
PE and Sport Grant	-	57,280	57,280	17,810
Teachers' Pay and Pension	-	219,034	219,034	38,210
Covid 19 Support Grant	-	110,629	110,629	-
	-	<u>5,001,375</u>	<u>5,001,375</u>	<u>928,365</u>
Other Government grants				
Early years funding	-	368,200	368,200	-
High needs funding	-	37,101	37,101	-
Other LA funding	-	80,748	80,748	21,327
	-	<u>486,049</u>	<u>486,049</u>	<u>21,327</u>
Other income from the academy's educational operations	-	-	-	-
	-	<u>5,487,424</u>	<u>5,487,424</u>	<u>949,692</u>

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for UIFSM, PE and Sport, Teachers' Pay and Pension and Covid-19 is no longer reported under the Other DfE Group grants heading, but as separate lines. The prior year numbers have been reclassified.

There are no unfulfilled conditions at the year end with regards to the amounts included in the above government grants.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Catering	93,995	-	93,995	16,845
Other income	68,084	-	68,084	8,174
Trip income	11,647	-	11,647	19,335
Uniform	9,018	-	9,018	3,143
Hire of facilities	3,648	-	3,648	3,569
Breakfast club	<u>52,572</u>	-	<u>52,572</u>	<u>14,980</u>
	<u>238,964</u>	-	<u>238,964</u>	<u>66,046</u>

Creative Children's Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Deposit account interest	<u>79</u>	<u>-</u>	<u>79</u>	<u>135</u>

6. EXPENDITURE

	Staff costs £	Non-pay expenditure Premises £	Other costs £	2021 Total £	2020 Total £
Raising funds					
Costs of fundraising					
Direct costs	-	-	-	-	3,857
Charitable activities					
Academy's educational operations					
Direct costs	4,452,096	-	647,672	5,099,768	813,229
Allocated support costs	<u>609,403</u>	<u>238,102</u>	<u>501,070</u>	<u>1,348,575</u>	<u>316,021</u>
	<u>5,061,499</u>	<u>238,102</u>	<u>1,148,742</u>	<u>6,448,343</u>	<u>1,133,107</u>

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

	2021 £	2020 £
Auditors' remuneration	19,750	7,750
Depreciation - owned assets	<u>183,893</u>	<u>43,510</u>

In 2021, included in the total expenditure of £6,448,343 (2020: £1,133,107), £147,601, (2020: £71,603) was to unrestricted funds, £332,786 was to restricted fixed asset funds (2020: £54,509) and £5,967,956 (2020 £1,006,995) was to restricted funds.

7. RAISING FUNDS

Costs of fundraising

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Staff costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,857</u>

Creative Children's Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Direct costs	42,391	5,057,377	5,099,768	813,229
Support costs	<u>105,210</u>	<u>1,243,365</u>	<u>1,348,575</u>	<u>316,021</u>
	<u>147,601</u>	<u>6,300,742</u>	<u>6,448,343</u>	<u>1,129,250</u>

	2021 Total £	2020 Total £
Analysis of support costs		
Support staff costs	557,138	136,340
Depreciation	17,021	2,158
Technology costs	15,658	21,192
Premises costs	229,732	65,930
Other support costs	448,641	82,651
Governance costs	<u>80,385</u>	<u>7,750</u>
Total support costs	<u>1,348,575</u>	<u>316,021</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2021 £	2020 £
Mr A Wirth	Remuneration	-	55,000 - 60,000
	Pension contributions paid	-	5,000 - 10,000
Mrs T Toms	Remuneration	85,000 - 90,000	-
	Pension contributions paid	20,000 - 25,000	-

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

Other transactions

Other related party transactions involving the trustees are set out in the Related Party Disclosures note.

Creative Children's Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	3,680,181	618,977
Social security costs	304,435	50,513
Operating costs of defined benefit pension schemes	<u>1,076,883</u>	<u>181,648</u>
	<u>5,061,499</u>	<u>851,138</u>

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

	2021	2020
Teachers and teaching assistants	109	16
Administration and support	21	4
Management	<u>4</u>	<u>1</u>
	<u>134</u>	<u>21</u>

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

	2021	2020
Teachers & teaching assistants	139	20
Support and administrative	48	15
Management	<u>4</u>	<u>1</u>
	<u>191</u>	<u>36</u>

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

	2021	2020
£60,001 - £70,000	2	1
£70,000 - £80,000	-	-
£80,001 - £90,000	<u>1</u>	<u>-</u>
	<u>3</u>	<u>1</u>

The key management personnel of the Academy trust comprise the Trust Executive Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust for the year was £341,030 (2020: £163,274).

Creative Children's Academy Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

11. CENTRAL SERVICES

The Academy Trust has provided the following central services to its academies during the year:

- human resources;
- financial services;
- legal services;
- education support services and strategic guidance; and
- others as arising

The Academy Trust, in this first year as a Multi Academy Trust, has charged a flat percentage of school budget income of 1% to each school.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Anston Greenlands Primary School	8,193	-
Thorpe Hesley Primary School	18,337	-
Redscope Primary School	15,390	-
Total	41,920	-

12. TRUSTEES' AND OFFICERS' INSURANCE

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

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	3,952	-	(3,911)	41
Charitable activities				
Funding for the academy's educational operations	-	949,692	-	949,692
Other trading activities	66,046	-	-	66,046
Investment income	135	-	-	135
Total	70,133	949,692	(3,911)	1,015,914
EXPENDITURE ON				
Raising funds	-	3,857	-	3,857
Charitable activities				
Academy's educational operations	71,603	1,003,138	54,509	1,129,250
Total	71,603	1,006,995	54,509	1,133,107

Creative Children's Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset £	Total funds
NET INCOME/(EXPENDITURE)	(1,470)	(57,303)	(58,420)	(117,193)
Other recognised gains/(losses)				
Actuarial gains on defined benefit schemes	-	87,000	-	87,000
Net movement in funds	(1,470)	29,697	(58,420)	(30,193)
RECONCILIATION OF FUNDS				
Total funds brought forward	178,292	(826,400)	1,822,718	1,174,610
TOTAL FUNDS CARRIED FORWARD	<u>176,822</u>	<u>(796,703)</u>	<u>1,764,298</u>	<u>1,144,417</u>

14. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Totals £
COST				
At 1 September 2020	1,932,930	44,141	27,955	2,005,026
Additions	9,371	16,344	43,686	69,401
Transfer on conversion	<u>8,795,500</u>	<u>45,908</u>	<u>40,367</u>	<u>8,881,775</u>
At 31 August 2021	<u>10,737,801</u>	<u>106,393</u>	<u>112,008</u>	<u>10,956,202</u>
DEPRECIATION				
At 1 September 2020	189,890	34,279	25,215	249,384
Charge for year	<u>307,561</u>	<u>9,850</u>	<u>23,349</u>	<u>340,760</u>
At 31 August 2021	<u>497,451</u>	<u>44,129</u>	<u>48,564</u>	<u>590,144</u>
NET BOOK VALUE				
At 31 August 2021	<u>10,240,350</u>	<u>62,264</u>	<u>63,444</u>	<u>10,366,058</u>
At 31 August 2020	<u>1,743,040</u>	<u>9,862</u>	<u>2,740</u>	<u>1,755,642</u>

Creative Children's Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

15. STOCKS

	2021	2020
	£	£
Uniform	<u>2,189</u>	<u>2,103</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	24,938	616
VAT	66,033	5,032
Prepayments and accrued income	<u>138,870</u>	<u>19,420</u>
	<u>229,841</u>	<u>25,068</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	93,016	-
Social security and other taxes	72,561	-
Other creditors	86,369	1,284
Accruals and deferred income	<u>131,875</u>	<u>37,674</u>
	<u>383,821</u>	<u>38,958</u>

	2021	2020
	£	£
Deferred income		
Deferred income as at 1 September 2020	29,154	48,440
Resources deferred during the year	122,975	29,154
Amounts released from previous years	<u>(29,154)</u>	<u>(48,440)</u>
Deferred income as at 31 August 2021	<u>122,975</u>	<u>29,154</u>

At the balance sheet date the academy trust was holding funds received in advance for trips booked for the autumn term 2021 amounting to £17,801 (2020: £nil).

Also included within deferred income is £2,150 (2020: £2,150) rates relief, £25,413 (2020: £6,385) devolved formula capital and £86,511 (2020: £20,619) universal infant free school meals. This funding was received in advance in relation to periods post 31 August 2021 and will be spent after the accounting period end.

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

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Other creditors	<u>6,420</u>	<u>7,704</u>

Other creditors falling due after more than one year of £6,420 relates to Salix monies due to the ESFA (at 0% interest rate), of which £1,284 falls due in greater than 5 years.

Creative Children's Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset £	2021 Total funds £
Fixed assets	-	-	10,366,058	10,366,058
Current assets	298,562	746,740	-	1,045,302
Current liabilities	(21,011)	(405,072)	42,262	(383,821)
Long term liabilities	-	(6,420)	-	(6,420)
Pension liability	-	(3,533,000)	-	(3,533,000)
	<u>277,551</u>	<u>(3,197,752)</u>	<u>10,408,320</u>	<u>7,488,119</u>

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

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset £	2020 Total funds £
Fixed assets	-	-	1,755,642	1,755,642
Current assets	176,307	90,089	15,041	281,437
Current liabilities	515	(33,088)	(6,385)	(38,958)
Long term liabilities	-	(7,704)	-	(7,704)
Pension liability	-	(846,000)	-	(846,000)
	<u>176,822</u>	<u>(796,703)</u>	<u>1,764,298</u>	<u>1,144,417</u>

20. MOVEMENT IN FUNDS

Net movement in funds, included in the above are as follows:

	Balance at 1 September 2020	Income	Expenditure	Gains/ (Losses)	Balance at 31 August 2021
Restricted general funds					
General Annual Grant (GAG)	-	4,192,007	(3,900,229)	-	291,778
Transfer on conversion	-	419,510	(419,510)	-	-
Pupil Premium	-	279,864	(271,669)	-	8,195
UIFSM	-	111,170	(111,170)	-	-
Other DfE/ESFA Grants	48,697	399,632	(413,654)	-	34,675
Other restricted grants	600	504,751	(504,751)	-	600
Pension reserve	(846,000)	(1,897,000)	(383,000)	(407,000)	(3,533,000)
	<u>(796,703)</u>	<u>4,009,934</u>	<u>(6,003,983)</u>	<u>(407,000)</u>	<u>(3,197,752)</u>
Restricted fixed asset funds					
Transfer on conversion	1,277,659	8,934,396	(281,492)	-	9,930,563
Other DfE Capital Grants	480,616	6,385	(15,267)	-	471,734
Other Capital Donations	6,023	-	-	-	6,023
	<u>1,764,298</u>	<u>8,976,808</u>	<u>(296,759)</u>	<u>-</u>	<u>10,408,320</u>
Total restricted funds	967,595	12,950,715	(6,300,742)	(407,000)	7,210,568
Total unrestricted funds	176,822	248,330	(147,601)	-	277,551
Total funds	1,144,417	13,199,045	(6,448,343)	(407,000)	7,488,119

Creative Children's Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

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

Creative Children's Academy Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

20. MOVEMENT IN FUNDS - continued

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

1. Restricted general funds must be used for the normal running costs of the Academy in line with the Master Funding Agreement and restrictions from other sources of funding.
2. Restricted fixed asset funds are used solely for capital purposes in line with the strategic objectives of the Trust.

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

Analysis of academies by fund balance

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Anston Greenlands Primary School	186,240	226,119
Thorpe Hesley Primary School	175,377	-
Redscope Primary School	254,004	-
Central Services	(2,822)	-
Total before fixed assets and pension reserve	612,799	226,119
Restricted fixed asset fund	10,408,320	1,764,298
Pension reserve	(3,533,000)	(846,000)
Total	7,488,119	1,144,417

Analysis of academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding dep'n £	Total 2021 £	Total 2020 £
Anston Greenlands Primary School	736,900	141,656	30,957	178,631	1,088,144	1,089,597
Thorpe Hesley Primary School	1,953,402	223,419	34,908	363,760	2,575,489	-
Redscope Primary School	1,761,795	192,063	43,956	358,316	2,356,130	-
Central Services	-	52,265	-	35,555	87,820	-
	4,452,097	609,403	109,821	936,262	6,107,583	1,089,597

21. PENSION AND SIMILAR OBLIGATIONS

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

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

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

Creative Children's Academy Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

21. PENSION AND SIMILAR OBLIGATIONS - continued

Teachers' pension scheme

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

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

Valuation of the teachers' pension scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £466,456 (2020 - £83,980).

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 charity has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charity has set out above the information available on the scheme.

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2021 was £341,556 (2020 - £71,039), of which employer's contributions totalled £256,414 (2020 - £57,191 and employees' contributions totalled £85,142 (2020 - £13,848). The agreed contribution rates for future years are 16.5 to 16.9% for employers and 5.5 to 12.5% for employees.

Creative Children's Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

21. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Present value of funded obligations	(7,363,000)	(1,726,000)
Fair value of plan assets	<u>3,830,000</u>	<u>880,000</u>
	(3,533,000)	(846,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(3,533,000)</u>	<u>(846,000)</u>
Net liability	<u>(3,533,000)</u>	<u>(846,000)</u>

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

	Defined benefit pension plans	
	2021	2020
	£	£
Current service cost	583,000	95,000
Net interest from net defined benefit asset/liability	44,000	16,000
Past service cost	<u>-</u>	<u>-</u>
	<u>627,000</u>	<u>111,000</u>
Actual return on plan assets	<u>565,000</u>	<u>(1,000)</u>

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

	Defined benefit pension plans	
	2021	2020
	£	£
Opening defined benefit obligation	1,726,000	1,699,000
Current service cost	583,000	95,000
Contributions by scheme participants	79,000	14,000
Interest cost	101,000	31,000
Actuarial losses/(gains)	913,000	(106,000)
Benefits paid	(57,000)	(7,000)
Business combinations	<u>4,018,000</u>	<u>-</u>
	<u>7,363,000</u>	<u>1,726,000</u>

Creative Children's Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

21. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2021	2020
	£	£
Opening fair value of scheme assets	880,000	822,000
Contributions by employer	251,000	56,000
Contributions by scheme participants	79,000	14,000
Expected return	57,000	15,000
Actuarial gains/(losses)	506,000	(19,000)
Benefits paid	(57,000)	(7,000)
Business combinations	2,121,000	-
Administrative expenses	(7,000)	(1,000)
	<u>3,830,000</u>	<u>880,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Actuarial gains/(losses)	<u>(407,000)</u>	<u>87,000</u>
	<u>(407,000)</u>	<u>87,000</u>

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

	Defined benefit pension plans	
	2021	2020
	£	£
Equities	1,854,000	418,000
Government bonds	528,000	129,000
Corporate bonds	330,000	74,000
Property	283,000	77,000
Cash and other liquid assets	38,000	32,000
Other	<u>797,000</u>	<u>150,000</u>
	<u>3,830,000</u>	<u>880,000</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2021	2020
Discount rate	1.70%	1.80%
Future salary increases	4.05%	3.55%
Future pension increases	2.90%	2.40%
Inflation assumption	2.80%	2.30%

Creative Children's Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2021**

21. PENSION AND SIMILAR OBLIGATIONS - continued

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

	2021	2020
Retiring today		
Males	22.5	22.4
Females	25.3	25.2
Retiring in 20 years		
Males	24.0	23.9
Females	27.2	27.1

Sensitivity analysis

	2021	2020
	£	£
Discount rate +0.1%	(182,000)	(37,000)
Discount rate -0.1%	187,000	38,000
Mortality assumption - 1 year increase	229,000	50,000
Mortality assumption - 1 year decrease	(223,000)	(49,000)
CPI rate +0.1%	187,000	39,000
CPI rate -0.1%	(182,000)	(38,000)

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

22. CAPITAL COMMITMENTS

	2021	2020
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>

23. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

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

	2021	2020
	£	£
Within one year	16,195	372
Between one and five years	<u>44,607</u>	<u>248</u>
	<u>60,802</u>	<u>620</u>

Creative Children's Academy Trust

Notes to the Financial Statements - continued for the Year Ended 31 August 2021

24. RELATED PARTY DISCLOSURES

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

25. CONVERSION TO AN ACADEMY TRUST

On 1 September 2020, Thorpe Hesley Primary School and Redscope Primary School both converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Creative Children's Academy Trust from Rotherham Metropolitan Borough Council for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and capital grants - Transfer from Local Authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

Thorpe Hesley Primary School	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Leasehold land and buildings	-	-	5,444,500	5,444,500
Furniture, equipment and computer equipment	-	-	52,850	52,850
Cash - representing budget surplus on LA funds	-	174,717	16,594	191,311
LGPS pension deficit	-	(928,000)	-	(928,000)
	-	(753,283)	5,513,944	4,760,661

Redscope Primary School	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Leasehold land and buildings	-	-	3,351,000	3,351,000
Furniture, equipment and computer equipment	-	-	33,425	33,425
Cash - representing budget surplus on LA funds	-	244,793	36,027	280,820
LGPS pension deficit	-	(969,000)	-	(969,000)
	-	(724,207)	3,420,452	2,696,245
	-	(1,477,490)	8,934,396	7,456,906