

Company registration number 07403271 (England and Wales)

CLEVES ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

CLEVES ACADEMY TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 12
Governance statement	13 - 17
Statement on regularity, propriety and compliance	18
Statement of trustees' responsibilities	19
Independent auditor's report on the accounts	20 - 22
Independent reporting accountant's report on regularity	23 - 24
Statement of financial activities including income and expenditure account	25 - 26
Balance sheet	27
Statement of cash flows	28
Notes to the accounts including accounting policies	29 - 46

CLEVES ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

S Foster (Chair)
J Graham
D Neville-Davies MBE
E Calow
K Bergamasco

Trustees

A Au-Yeung
E Bird
D Neville-Davies MBE
S Foster (Chair)
E Jones
C Hodges (Headteacher and accounting officer)
J Graham
F Pierce
S Trinder
P Matthew
S Matthews (Staff trustee)
P Alford (Resigned 14 May 2023)
S Cotterell (Resigned 28 March 2023)
J Herriot (Staff trustee) (Appointed 14 November 2022)
H Ramsay (Appointed 29 November 2022)
P Marks (Appointed 5 July 2023)
T Sherry (Appointed 4 July 2023)

Senior management team

C Hodges
C Smith
A Clements

Company secretary

M Tytherleigh

Company registration number

07403271 (England and Wales)

Registered office

Oatlands Avenue
Weybridge
Surrey
KT13 9TS

Independent auditor

Azets Audit Services
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ
United Kingdom

CLEVES ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank Plc
PO Box 1000
Andover
BX1 1LT

Scottish Widows Bank Plc
PO Box 12757
Edinburgh
EH3 8JY

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

CLEVES ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

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

The academy trust operates an academy for pupils aged 7-11 serving a catchment area in Weybridge. It has a pupil capacity of 720 and had a roll of 720 in the school census on 5 October 2023.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee with no share capital (registration number 07403271) and an exempt charity.

The charitable company's memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The charitable company operates as Cleves School.

The trustees act as the directors of the charitable company for the purpose of company law.

Members' liability

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

Trustees' indemnities

The Academy has opted into the risk protection arrangement (RPA) for Academy Trusts, which is a mechanism through which the cost of risks that materialise will be covered by government funds. Part of this mechanism protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The scheme provides cover up to £10,000,000 on any one claim and the cost for a period was included in the total costs paid for the risk protection arrangement (RPA) for Academy Trusts, which were £15,120 (2022 - £11,650).

Method of recruitment and appointment or election of Trustees

The chair first informally meets people who have expressed interest in governance (sometimes with another trustee present). If the individual and Chair both wish to take things further, the prospective trustee's CV is sent to all trustees and the individual is invited to attend a Board meeting to explain their interest in governance at Cleves; answer questions and observe a Part 1 meeting. As a Part 2 item Trustees are asked whether they think the person would be a good fit and meets known skills needs, and members then vote on whether to offer the person a place, or the individual is co-opted. Depending on the Board's needs at the time, individuals might be asked to join the Board at once as a full trustee or, instead, to join one of the Board's two large committees as associate trustees.

Appointments of trustees are made in accordance with the Articles of Association, para 45ff. The members appoint up to eleven trustees (and no fewer than three) and up to three co-opted trustees may be appointed by the trustees. The Board also has a minimum of one staff trustee, usually two, appointed following procedures set out in the Academy's Standing Orders, but no more than one third of the total Board may be staff trustees. Two parent/carers trustees are appointed by means of secret ballot of the parent/carer community: and the Headteacher is an ex officio trustee. In considering the recruitment of new trustees members have regard to the skill mix of current trustees, as shown in regular skill audits, and to any existing or foreseeable specific skill requirements that the Board might have. The total number of trustees is generally twelve with some flexibility, particularly if peaks in workload are expected or several trustees have terms finishing soon. Recruitment is carried out either through inspiring Governance or Governors for schools, two governance recruitment organisations, or through trustees' local networks and contacts.

CLEVES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Policies and procedures adopted for the induction and training of Trustees

A comprehensive set of information about the academy, including relevant policies, the Articles of Association and the Board of Trustees' Standing Orders and Code of Practice is easy to locate in one place on the trustees' area of the school intranet site. The clerk to the Board ensures that all new trustees have access to the trustees' area of the school's website and knows where to find key documents. She also explains training opportunities and her readiness to help with any queries. Any new trustees (having already had a comprehensive informal conversation with the Chair prior to joining; and having attended a Board meeting as an observer) is invited to meet the Chair of the main committee on which they will serve and (if new to the academy) to meet the Head Teacher and to have a tour of the Academy. The Chair checks with all new trustees that they were satisfied with their induction.

All trustees are required to sign the Board's Code of Practice, which explicitly commits trustees to undertake all necessary training. The Code of Practice and Standing Orders set out expectations of trustees and explain how the Board operates. All new trustees have to commit to attend an "Introduction to Governance" course, delivered by an external specialist provider, if they have not already done so. All trustees agree to undertake at least one piece of training or development a year and are required to undertake safeguarding training annually. Training undertaken is recorded and monitored by the clerk. The Academy has a service level Agreement with Strictly Education 4S to provide trustee training. The Academy also has membership of the Surrey Governance Association (SGA), Surrey's Schools Alliance for Excellence (SAFE), The National Governance Association (NGA) and Better Governance (BG); and all trustees receive regular material from the National Governance Association and others on governance and national educational issues. In her twice termly reports to the Board the Chair includes or signposts items of national and local educational interest. The Board reviews its sources of external training and information annually to check whether they provide value for money and meet needs. Individual trustees also share governance articles/web links/reports of meetings/webinars on an ad hoc basis for training purposes. Training is a standard item on Board of Trustees' (BOT) agendas. The Board gives one trustee responsibility for oversight of training, supported by the clerk. Trustees who take on individual responsibilities (e.g. for pupil premium children) are expected to ensure they have all the information or training that they need to do the job and to stay up to date.

Organisational structure

The full Board generally meets twice termly and more often if required. Trustees are responsible for setting overall strategic direction; discussing and adopting an annual budget; monitoring the budget; agreeing bids for capital funds; agreeing the annual accounts; agreeing a scheme of delegation; appointing and holding the Head Teacher to account for the performance of the Academy; determining the school's admissions policy, and determining the staffing structure and senior staff appointments with the Head teacher.

The Board delegates responsibility for much of the necessary detailed monitoring to two committees that meet once or twice every term – the Children's Achievement and Well-Being Committee and the Resources Committee. These two committees have detailed workplans. A Scheme of Delegation determines levels of financial delegation. The Resources Committee also acts as the Audit and Risk Committee.

Certain responsibilities are also delegated to a Personnel, Pay and Performance (PPP) Committee and to an Admissions Committee. The Head Teacher's Performance Panel comprising three trustees sets the Head Teacher's objectives and reviews performance against these, supported by an external School Improvement Partner who is an education expert. The Panel also carries out a mid-year review.

Arrangements are also in place for any necessary ad hoc committees or panels, e.g. an Exclusions Panel. All committees' terms of reference, workplans and membership are reviewed and agreed by the Board annually.

Discussion takes place annually about which issues individual governors should be asked to look at in more depth and report back on, depending on the Board's priorities. As a consequence of the Covid pandemic, Board and committee agendas have focused more than in previous years on pupils' and staff's well-being and on helping pupils to catch up for learning opportunities lost during the pandemic. These priorities have been reflected in agendas.

During the reporting period some Board and committee meetings were held remotely and others in person.

CLEVES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of personnel are guided by the Academy's Pay Policy, which is informed by the DfE's School Teachers' Pay and Conditions statutory guidance. The policy is reviewed annually to ensure it is up to date and fit for purpose. The Head Teacher makes recommendations about leadership and teaching staff's pay to the Personnel, Pay and Performance (PPP) Committee each year. This Committee makes the final decision on annual pay awards following discussion with the Head Teacher about his recommendations. When vacancies for key management posts arise, the PPP Committee looks at the pay levels for such posts at broadly similar schools as well as taking into account the particular requirements of the Cleves' post. The Head Teacher is expected to present a business case or justification if he is proposing a higher pay increase or a higher starting salary than would be expected.

This Headteacher's Pay and Performance Panel makes a pay recommendation to the PPP committee about the Head Teacher's pay, based on his performance review; and the PPP committee decides whether to offer the Head Teacher a pay increment.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

Full-time equivalent employee number

-

-

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

-

Percentage of the total pay bill spent on facility time

-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours

-

CLEVES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is the operation of the Cleves Academy Trust to provide education, and a broad and balanced curriculum, for pupils of differing abilities between the ages of 7 and 11 in accordance with its Admissions Policy. The Academy Trust operates in accordance with all relevant provisions of the School Admissions Code and the Schools Admissions Appeals Code as they apply for the year in question.

In July 2017 the Academy's articles were expanded to allow for the provision of facilities for recreation or other leisure time occupation for local inhabitants who have need of them for various reasons.

Every pupil at Cleves is valued and the school's goal is to help every child to make academic progress and to flourish as an individual. In keeping with Cleves' long-standing commitment to providing the very best broad and balanced curriculum and a rich menu of co-curricular activities for its pupils, Cleves' vision statement is as follows:

"Our vision is that all pupils leave Cleves inspired and equipped with the skills, knowledge and emotional well-being they need to take on the challenges of a changing and ever more competitive world."

Trustees set strategic objectives for a three- or four-year period and review these annually. In autumn 2021 trustees met with their School Improvement Partner to review the strategic objectives they had set for the preceding four-year period and to agree new ones, taking into account the national and local education picture. The strategic objectives agreed for 2021-2024 are:

- To strive for academic excellence by providing a broad and engaging curriculum that inspires our children. Personalised teaching, strong support and extensive extra-curricular activities will ensure that every child can achieve their potential.
- To create a safe and secure environment for all our children and staff, with a focus on mental health and well-being, where each person feels equally included, valued and able to participate.
- To target our support for children with special educational needs and all children who are disadvantaged or in some way vulnerable so that we not only 'close the gap' educationally, but also give these children a headstart in all aspects of their education and wider development.
- To build on existing partnerships and identify further opportunities to develop new partnerships or working relationships with other local schools.

Trustees' strategic intents are underpinned by a detailed School Development Plan and the School carries out annual self-evaluation of delivery against this. During the reporting period, the school returned to levels of provision and activity familiar in the years preceding the Covid pandemic; though in the early months some activities were impacted by higher than usual levels of staff sickness.

CLEVES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives, strategies and activities

The main objectives of the Academy for the period aligned with trustees' strategic objectives and national Covid requirements.

- To continue to provide value for money for the funds expended
- To comply with all statutory and curriculum requirements
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness

In keeping with its overarching objectives, the Academy:

- delivered a full, broad and balanced curriculum offer, with school residential trips and extra-curricular opportunities for every child
- continued to embed changes following its comprehensive review of every curriculum subject and to seek further improvements by researching, carrying out visits and identifying best practice through other means. Examples of improvement included even more ambitious ICT and literacy curricula; enhancements to writing practice and greater consistency in maths modelling
- embedded the new school values across the school
- continued to monitor closely the educational achievement of all pupils, especially those groups of pupils whose progress was weaker; disadvantaged pupils, and those most affected by Covid lockdowns. Trustees agreed additional funding to support those pupils most in need, in response to a growing number of children with special education needs; and more severe special educational needs.
- began work to improve its Arts offering
- continued to look for opportunities to support, learn from or work together with other local schools, specifically in writing
- worked in close partnerships with our two infant feeder schools, in accordance with our Memorandum of Understanding. During the period the three schools committed to work together on actions to address four shared challenges
- further expanded provision to nurture staff and pupil well-being
- enhanced provision for children with special educational needs, for example by bringing in specialists such as an educational psychologist, and by increasing staff expertise in dyslexia
- provided school based additional support for pupils that had fallen behind and needed to make accelerated progress, with a focus on year 3 pupils who had not reached the expected standards

Public benefit

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

CLEVES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

Ofsted Inspection

As a school which had been awarded an 'Outstanding' categorisation in 2007, Cleves was exempt from Ofsted inspections until a change in legislation took place in 2021. A full, Section 5 inspection took place on 29 and 30 June 2022. As a result, the inspection team assessed Cleves to be Outstanding in each of the four categories of: Quality of Education, Behaviour and Attitudes, Personal Development and Leadership and Management. Safeguarding arrangements were judged to be effective. No areas were listed for development. Inspectors' published report included the following observations:

- "Respect, high aspirations, kindness, perseverance and inclusiveness are values that are deeply embedded at Cleves School...
- Pupils...ooze positivity when asked about their experiences and the impact made on their learning
- Respectful behaviour is modelled by leaders and staff at every moment of the school day.
- Pupils treat each other, staff and visitors with the utmost respect.
- The headteacher and deputy headteacher set the tone of the high aspiration and ambition at Cleves School
- Leaders have crafted an ambitious curriculum...
- Teachers are highly knowledgeable about what they teach
- ...pupils with SEND...receive subtle yet highly effective support so that they make similar progress to other pupils
- There is a strong focus on pupils' personal development. The school's facilities provide rich experiences... [pupils] think about others before themselves. They are keen to think about the difference they can make".

In feeding back to trustees, inspectors challenged the school to think about how it could become "exceptional". Some of the activities listed above reflect steps taken in that direction.

Key Stage 2 (KS2) test results

Historically Cleves' pupils have performed strongly in the national year 6 KS2 tests. For two years, however, no KS2 tests were carried out because of Covid19. These tests did, however, take place in summer 2022 and 2023, with Cleves' children achieving similar results to those in 2019, demonstrating that Cleves had maintained pupils' academic progress and attainment despite Covid. This was in contrast to the national trend, where performance dipped post Covid.

	2019 Cleves % expected	2019 National % expected	2022 Cleves % expected	2022 National % expected	2023 Cleves % expected	2023 National % expected
Reading	89	73	91	74	94	73
SPAG	97	78	95	71	94	72
Writing	92	78	91	72	92	71
Maths	96	79	93	71	96	73
RWM Combined	83	65	85	59	86	59

In addition to securing high academic standards during the year, Cleves offered numerous opportunities, and strong performances, in sport. Cleves also continued to lead the Walton, Weybridge and Hersham Sports Partnership, which enables local schools to enjoy shared sporting opportunities. High quality musical performances also took place in assemblies, services and concerts, as too did Cleves' traditional wide range of co-curricular activities before, during and after school; and residential trips in the summer term.

CLEVES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Key performance indicators

To maintain a cash balance equivalent to at least one month's expenditure (excluding fixed assets). **Achieved**

To maintain a solvency ratio (current assets to current liabilities) of at least 2:1. **Achieved**

The total cost of staffing shall not exceed 100% of GAG funding. **Achieved**

At least 75% of teachers to be outstanding. **Achieved**

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, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

Through the period the most significant issue was moving forward from the Ofsted inspection and determining how to focus limited resources on maintaining an outstanding offering and doing even more.

Staff costs were high because of unusually high levels of staff absence following the Covid closures; and the need to employ more staff to help higher numbers of children who needed additional academic support or had special educational needs.

Pupil capacity is full and we remain in a healthy financial position though pressures have increased. There were no unexpected significant costs through the year or unplanned capital works required.

Since the school remains full with a waiting list, we are confident of this central stream of funding. A small, but so far consistent, amount of income is derived from lettings and wrap around care. Both these funding streams are sustainable and so we therefore see little risk here.

Most of the Academy'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 the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds (non-fixed assets) in the statement of financial activities.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Charities Statements of Recommended Practice 'Accounting and Reporting by Charities' (SORP FRS102), such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Our risk register is reviewed on a termly basis. In line with the rest of the sector the school has seen increased costs and decreased central income which has put pressure on resources but careful budget management and increases in letting income in particular have reduced the overall impact on the school.

The total income for the year was £4,525k (2022: £4,205k), of which £3,071k (2022: £3,001k) is General Annual Grant. The remainder is made up of either ESFA and Government Grants, the unrestricted element generated from donations and parental contributions, lettings and catering. The operational surplus for the year, excluding the fixed assets fund and the pension reserve was £44k (2022: £124k)

At 31 August 2023, the Academy had total funds of £9,007k (2022: £8,794k). This comprised of £8,085k (2022: £7,921k) of restricted funds and £922k (2022: £873k) of unrestricted general fund balances. The pension reserve balance, relating to the Local Government defined benefit scheme for non-teaching staff, was in deficit by £195k (2022: £529k deficit) at 31 August 2023.

The results for the period are shown on page 31.

CLEVES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Reserves policy

The trustees review the reserve levels of the Academy at least annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees have determined that the appropriate level of free reserves should be at least one month's expenditure which approximates to £300k. The reason for this is to provide sufficient working capital to cover delays between spending and the receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £922k (2022 - £873k). The Academy plans to review future expenditure plans in light of current reserves levels. Most of the additional surplus is earmarked for foreseeable capital and staffing expenditure. Following the previous year's financial outturn, consideration was given to having a ceiling for reserves. The Board concluded that this would be impractical to manage operationally and would work against the legitimate building up of reserves for large expenditure items and eventualities.

Spending was monitored closely and effectively, and the year closed with a small in year surplus. The reserves were not called upon.

Investment policy

The Academy holds no investments. Surplus cash is deposited in UK banks. Funds may also be invested in Treasury deposits where maturity dates are no longer than 12 weeks.

Principal risks and uncertainties

The trustees regularly assess the major risks to which the Academy is exposed, in particular those relating to the teaching, provision of facilities, and other operational areas of the Academy and its finances (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. Towards the end of the period a risk to the leadership of the school was identified as a result of the long-serving Deputy Head Teacher's decision to step down from that role in summer 2023 and the long-serving Headteacher's announcement of his intention to retire in summer 2024. To mitigate these risks, two experienced staff accepted an offer to job share the Deputy Headteacher role and trustees decided to advertise early for a new Headteacher.

Trustees are very aware of their statutory duties for safeguarding children and regularly seek confirmation and evidence that the school is fulfilling its responsibilities. Shortage of classroom teachers is a national concern and in view of the Academy's experiences in a previous year staff are now identified and secured earlier than in previous years. This has proven successful. Following the Covid epidemic it has proved harder to recruit Learning Support Assistants and the school now has a rolling recruitment programme.

In the course of the accounting year, based on a medium-term plan, trustees continued to spend to maintain and improve the fabric of the Academy. Trustees carried out visits, for example look at safeguarding and health and safety, and these visit reports were discussed by Committees and available to all trustees.

As funding from central Government is tight, the Academy is careful to maintain its external lettings contracts which provide additional income.

The school's PTA continued to be active in organising fundraising events for non-core provision when it could and in one instance contributed to core funding. The school also received income from the provision of before and after school childcare. Trustees are fully aware that there is a risk around placing too much dependence on the incomes both of lettings and the GAP club. These sources of revenue are therefore closely monitored, and budgeted conservatively when forecasting unrestricted income.

Over the year, the unpredictable impact of Covid was regularly discussed at Board and Resources Committee meetings to ensure that the associated risks – for example of very high supply staff costs – were factored in. Additional expenditure was also anticipated to allow for a summer school provision (for which there was insufficient demand when the time came) and for additional catch-up support. COVID catch up funding deployment was discussed and agreed by the Committee.

Mindful of the negative impacts of Covid on children's and adults' health and safety, emotional well-being and learning were discussed in Board meetings and additional well-being support was made available to all children and to staff, and on a structured as well as on a tailored, ad hoc basis to those who needed tailored support.

CLEVES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

The academy trust does not use any external fundraisers and nor does it fundraise directly itself. In the course of the year the school did, however, successfully bid to external sources for funds for specific purposes.

The PTA, which is itself registered with the Charity Commission, regularly completes fundraising activities on behalf of the school. All fundraising undertaken by the PTA is closely monitored by the Headteacher and trustees.

The school invites parents to make a voluntary donation of £30 per year to go towards the high provision of pupil IT devices. Any funds collected are ringfenced for IT equipment. No reminder calls or emails are sent to parents who choose not to donate. Access to the pupil IT devices is universal, and not dependent on whether a donation has been made.

Plans for future periods

For the foreseeable future, key strategic drivers are expected to include the following:

- To determine how to continue to improve and become exceptional;
- To ensure that Cleves' excellence is firmly embedded and future proofed;
- To be mindful of local MAT developments and the national agenda
- To continue to bring in experts who can advise on different areas, e.g. writing, maths;
- To continue to monitor staff and pupil well-being closely;
- To work even more closely with our infant feeder schools to ensure the best possible education and support and seven-year primary journey;
- To devise an Arts offering that matches the ambition of our sports provision; and to apply for the national Arts Mark;
- To further enhance our SEND provision and look for further evidence-based programmes to accelerate progress, particularly in the lower school; and to apply for a national Inclusion Award;
- To embed the Sounds Write phonics programme in lower school to improve literacy;
- To focus on the lower 20% of readers and ensure boosters are in place with decodable books linked to our phonic scheme;
- To consider our model for maths teaching and ability sets;
- To review our approach to writing and develop pupils' independence in writing;
- To expand our offer of excellence groups and special projects for the most able;
- To ensure the school infrastructure remains fit for purpose;

CLEVES ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

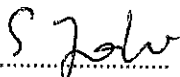
Auditor

In so far as the Trustees are aware:

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

Azets Audit Services was appointed auditor to the charitable company. A resolution proposing re-appointment will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 14 December 2023 and signed on its behalf by:



S Foster

Chair

CLEVES ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Cleves 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 ensured COVID-19 did not have an adverse impact on our budget. We continue to ensure good value for money. We worked closely with our suppliers to agree a reasonable cost schedule for services used. During this period as a number of Trustees terms of office came to an end we ensured that vacancies were quickly advertised and filled in order to benefit from good oversight and scrutiny from the trust and its committees. We were fortunate to recruit new trustees with valuable and relevant skills in budgeting and financial monitoring.

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of Trustees' responsibilities. The Board of Trustees formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
A Au-Yeung	6	6
E Bird	4	6
D Neville-Davies MBE	6	6
S Foster (Chair)	6	6
E Jones	4	6
C Hodges (Headteacher and accounting officer)	5	6
J Graham	4	6
F Pierce	4	6
S Trinder	6	6
P Matthew	6	6
S Matthews (Staff trustee)	6	6
P Alford (Resigned 14 May 2023)	5	5
S Cotterell (Resigned 28 March 2023)	1	4
J Herriot (Staff trustee) (Appointed 14 November 2022)	5	5
H Ramsay (Appointed 29 November 2022)	2	4
P Marks (Appointed 5 July 2023)	0	0
T Sherry (Appointed 4 July 2023)	0	0

Conflicts of interest

A register of trustees', members' and senior staff's interests are kept and regularly updated by the Clerk to the Board. At each Board and committee meeting attendees are asked to declare any interests in specific agenda items.

CLEVES ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Governance reviews

Historically the Board has regularly either commissioned external reviews or carried out a self-assessment of governance in addition to carrying out a skills audit every couple of years. The Academy's School Improvement Partner carried out a review of governance during the school year 2021-22. This report contained many positives and concluded that governance seemed to be excellent; there were few areas for trustees to consider further, but these were recorded and actioned. In the light of a series of positive external reviews and self-assessments and a period of consistency in Board membership, the Board decided not to carry out a formal review of governance during this reporting period. The Board plans to commission an external review or carry out a self-assessment in the next calendar year.

The Boards' most recent skills audit in 2021 showed a broad range of strengths and no weaknesses. For this reason, the Board did not carry out a formal skills audit in the reporting period. Informally, having considered its workload, characteristics and balance, the Board: sought to fill a vacancy with someone with schools' experience after Ms Alford's term ended (unsuccessfully so far); actively sought new members who had no relationship to the school (successfully) – one of whom had a special interest in special education needs, which the Board also sought; and committed itself to increasing its diversity (with some success towards the end of the reporting period). The Board will consider a formal skills audit once new members are established.

Resources Committee

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- Have regard to the Academy Trust Handbook and the Academy funding agreement;
- Determine financial priorities for the coming year and for the next three years in accordance with the strategic plan;
- Discuss, examine and agree the annual income and expenditure budget plan for the financial year for the Academy and recommend its adaption to the full Board of Trustees;
- Discuss and agree bids for funding from central Government (e.g. CIF)
- Review budget by monitoring reports and then report to the full Board of Trustees termly on the Academy's finances (public and non-public), including performance against profile for the annual budget; value for money; the forecast and actual end of year position; and other issues of significance;
- Review systems of internal financial control and identify any risks;
- Make recommendations to the full Board of Trustees about the arguments for and affordability of any proposed expenditure outside of the budget;

CLEVES ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- Receive and where appropriate respond to periodic requests for audit reports of public fund;
- After considering the costs and benefits to approve new contracts; to continue or cease existing ones in accordance with limits set out in the scheme of delegation;
- Oversee the preparation of the year-end accounts, in conjunction with the Headteacher, Business manager and external Auditor;
- Agree the procedures to be followed for carrying out emergency work and to make recommendations about delegation to the Headteacher for taking appropriate action on behalf of the Board of Trustees in the event of an emergency;
- Review banking arrangements annually, or as necessary;
- Approve any debts written off in accordance with a written policy on the action to be taken with regard to chasing arrears and write offs;
- Ensure the Academy maintains an up to date asset register and a rolling programme of repairs and maintenance;
- Ensure company accounts are filed;
- Organise the internal audit or Responsible Officer system;
- Agree the level of delegation to the Headteacher for the day-to-day financial management of the Academy;
- Recommend the amount which can be vired between budget headings by the Headteacher without prior agreement of the Resources Committee; and
- Look at benchmarking data for expenditure.

In the course of the year the committee followed a rolling work plan. Key activities included regular monitoring of the budget; agreement of a longer-term maintenance plan and expenditure to cover other urgent priorities and the deployment of additional income from consultancy.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
E Jones	5	5
C Hodges (Headteacher and accounting officer)	5	5
F Pierce	4	5
S Matthews (Staff trustee)	4	4
H Ramsay (Appointed 29 November 2022)	2	4

Review of value for money

As Accounting Officer, the Headteacher 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 taxpayer resources received.

The Accounting Officer considers whether the Academy's use of its resources has provided good value for money during academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available.

CLEVES ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The purpose of the system of internal control

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

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 ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

The board of trustees has considered the need for specific internal audit function and has decided not to appoint an internal auditor. However during the period the trustees appointed Mrs Kathleen McDougall as Responsible Officer (RO). Following her resignation from the board the role is currently being covered by the chair of Resources Elaine Jones. We have now found a new RO, Pippa Marks, who joined the board in July 2023.

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

During her period of tenure Kathleen McDougall fulfilled this function and reported to the Board of Trustees through the Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The schedule of work was completed as planned including a review of the management letter items for the 21/22 audit, health and safety walks to check compliance with statutory maintenance and close monitoring of the issues with Surrey Payroll and approval to seek alternatives suppliers. In additions there was full involvement in the process to appoint a new auditor. There have been no material issues or remedial action required.

Review of effectiveness

As Accounting Officer, the Headteacher had responsibility for reviewing the effectiveness of the system of internal control. During the year, his review has been informed by;

- The work of the external auditor;
- A robust process of monitoring the risk register, which is discussed and documented as each Resources Committee meeting
- The work of the senior Management Team within the Academy who have been responsible for the development and maintenance of the internal control framework.

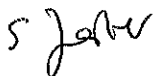
CLEVES ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

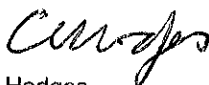
FOR THE YEAR ENDED 31 AUGUST 2023

The Accounting Officer has advised the Resources Committee of the implications of his review of the system of internal control and set out his plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 19/12/23 and signed on their behalf by:



S Foster
Chair



C Hodges
Headteacher and accounting officer

CLEVES ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

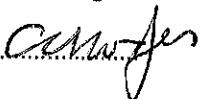
FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of Cleves 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, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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

C Hodges
Accounting Officer

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CLEVES ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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

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

In preparing these accounts, the Trustees are required to:

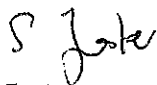
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 19/12/23 and signed on its behalf by:



S Foster
Chair

CLEVES ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLEVES ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust'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.

Other information

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

We have nothing to report in this regard.

CLEVES ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLEVES ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

Auditor's responsibilities for the audit of the accounts

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

CLEVES ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLEVES ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Debra Saunders Bsc FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

Chartered Accountants
Statutory Auditor

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Ashcombe Court
Woolsack Way
Godalming
Surrey
United Kingdom
GU7 1LQ

CLEVES ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CLEVES ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 2 June 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cleves Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Cleves Academy Trust's funding agreement with the Secretary of State for Education dated 29 March 2017 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

CLEVES ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

Conclusion

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

Reporting Accountant

Azets Audit Services
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ
United Kingdom

Dated:

CLEVES ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2023 £	Total 2022 £
Income and endowments from:					
Donations and capital grants	3	119	-	37	156
Charitable activities:					
- Funding for educational operations	4	187	3,476	-	3,663
Other trading activities	5	702	-	-	702
Investments	6	4	-	-	4
Total		<u>1,012</u>	<u>3,476</u>	<u>37</u>	<u>4,525</u>
Expenditure on:					
Raising funds	7	132	-	-	132
Charitable activities:					
- Educational operations	8	-	4,312	287	4,599
Total	7	<u>132</u>	<u>4,312</u>	<u>287</u>	<u>4,731</u>
Net income/(expenditure)		880	(836)	(250)	(206)
Transfers between funds	16	(837)	751	86	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	419	-	419
Net movement in funds		43	334	(164)	213
Reconciliation of funds					
Total funds brought forward		873	(529)	8,450	8,794
Total funds carried forward		<u>916</u>	<u>(195)</u>	<u>8,286</u>	<u>9,007</u>

CLEVES ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022		Unrestricted funds	Restricted funds:		Total 2022
	Notes	£	General £	Fixed asset £	£
Income and endowments from:					
Donations and capital grants	3	68	-	12	80
Charitable activities:					
- Funding for educational operations	4	217	3,286	-	3,503
Other trading activities	5	621	-	-	621
Investments	6	1	-	-	1
Total		<u>907</u>	<u>3,286</u>	<u>12</u>	<u>4,205</u>
Expenditure on:					
Raising funds	7	127	-	-	127
Charitable activities:					
- Educational operations	8	-	4,181	279	4,460
Total	7	<u>127</u>	<u>4,181</u>	<u>279</u>	<u>4,587</u>
Net income/(expenditure)		780	(895)	(267)	(382)
Transfers between funds	16	(656)	620	36	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	1,856	-	1,856
Net movement in funds		124	1,581	(231)	1,474
Reconciliation of funds					
Total funds brought forward		749	(2,110)	8,681	7,320
Total funds carried forward		<u>873</u>	<u>(529)</u>	<u>8,450</u>	<u>8,794</u>

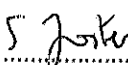
CLEVES ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		8,279		8,450
Current assets					
Debtors	13	147		174	
Cash at bank and in hand		1,031		1,005	
		1,178		1,179	
Current liabilities					
Creditors: amounts falling due within one year	14	(255)		(306)	
Net current assets			923		873
Net assets excluding pension liability			9,202		9,323
Defined benefit pension scheme liability	18		(195)		(529)
Total net assets			9,007		8,794
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			8,286		8,450
- Pension reserve			(195)		(529)
Total restricted funds			8,091		7,921
Unrestricted income funds	16		916		873
Total funds			9,007		8,794

The accounts on pages 25 to 46 were approved by the Trustees and authorised for issue on and are signed on their behalf by:



 S Foster
 Chair

Company registration number 07403271 (England and Wales)

CLEVES ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash provided by operating activities	19		101		114
Cash flows from investing activities					
Dividends, interest and rents from investments		4		1	
Capital grants from DfE Group		37		12	
Purchase of tangible fixed assets		(116)		(52)	
Net cash used in investing activities			(75)		(39)
Net increase in cash and cash equivalents in the reporting period			26		75
Cash and cash equivalents at beginning of the year			1,005		930
Cash and cash equivalents at end of the year			1,031		1,005

CLEVES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

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

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

1.1 Basis of preparation

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

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

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

CLEVES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

CLEVES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold land and buildings	2% straight line
Computer equipment	33.3% straight line
Furniture and equipment	20% straight line

Depreciation is charged from the month of acquisition. No depreciation is provided in respect of freehold land.

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

CLEVES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.9 Taxation

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

1.10 Pensions benefits

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

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

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

1.11 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

CLEVES ACADEMY TRUST

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

2 Critical accounting estimates and areas of judgement

(Continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	37	37	12
Other donations	119	-	119	68
	<u>119</u>	<u>37</u>	<u>156</u>	<u>80</u>

CLEVES ACADEMY TRUST

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

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
DfE/ESFA grants				
General annual grant (GAG)	-	3,071	3,071	3,001
Other DfE/ESFA grants:				
- Pupil premium	-	90	90	97
- Supplementary grant	-	84	84	-
- Others	-	112	112	75
	<u>-</u>	<u>3,357</u>	<u>3,357</u>	<u>3,173</u>
Other government grants				
Local authority grants	-	119	119	93
	<u>-</u>	<u>119</u>	<u>119</u>	<u>93</u>
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	-	-	9
Non-DfE/ESFA				
Other COVID-19 funding	-	-	-	11
	<u>-</u>	<u>-</u>	<u>-</u>	<u>20</u>
Other incoming resources	<u>187</u>	<u>-</u>	<u>187</u>	<u>217</u>
Total funding	<u>187</u>	<u>3,476</u>	<u>3,663</u>	<u>3,503</u>

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities / lettings income	178	-	178	151
Trip income / catering income	239	-	239	203
Extended schools	265	-	265	246
Other income	20	-	20	21
	<u>702</u>	<u>-</u>	<u>702</u>	<u>621</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	<u>4</u>	<u>-</u>	<u>4</u>	<u>1</u>

CLEVES ACADEMY TRUST

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

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Expenditure on raising funds					
- Direct costs	98	-	34	132	127
Academy's educational operations					
- Direct costs	2,182	287	702	3,171	2,912
- Allocated support costs	988	178	262	1,428	1,548
	<u>3,268</u>	<u>465</u>	<u>998</u>	<u>4,731</u>	<u>4,587</u>

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	9	9
Depreciation of tangible fixed assets	287	279
Fees payable to auditor for:		
- Audit	11	8
- Other services	5	6
Net interest on defined benefit pension liability	24	37
	<u>24</u>	<u>37</u>

8 Charitable activities

	2023 £	2022 £
All from restricted funds:		
Direct costs		
Educational operations	3,171	2,912
Support costs		
Educational operations	1,428	1,548
	<u>4,599</u>	<u>4,460</u>
	2023 £	2022 £
Analysis of support costs		
Support staff costs	988	1,019
Technology costs	47	38
Premises costs	178	216
Legal costs	10	2
Other support costs	188	257
Governance costs	17	16
	<u>1,428</u>	<u>1,548</u>

CLEVES ACADEMY TRUST

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

9 Staff

Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	2,349	2,104
Social security costs	202	200
Pension costs	543	692
Staff costs - employees	3,094	2,996
Agency staff costs	170	105
Staff restructuring costs	4	-
Staff development and other staff costs	3,268 13	3,101 32
Total staff expenditure	3,281	3,133

Staff restructuring costs comprise:

Severance payments	4	-
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Severance payments

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

£0 - £25,000	1
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Staff numbers

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

	2023 Number	2022 Number
Teachers	38	42
Administration and support	62	62
Management	3	3
	103	107

CLEVES ACADEMY TRUST

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

9 Staff

(Continued)

Higher paid staff

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

	2023 Number	2022 Number
£70,001 - £80,000	1	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £390k (2022: £368k).

10 Trustees' remuneration and expenses

One or more of the 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 staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of trustees' remuneration and other benefits was as follows:

C Hodges (principal):

- Remuneration £115,000 - £120,000 (2022: £105,000 - £110,000)
- Employer's pension contributions £25,000 - £30,000 (2022: £25,000 - £30,000)

S Matthew (Staff Trustee - appointed 8 February 2022):

- Remuneration £15,000 - £20,000 (2022: £5,000 - £10,000)
- Employer's pension contributions £0 - £5,000 (2022: £0 - £5,000)

J Herriott (Staff Trustee - appointed 14 November 2022):

- Remuneration £25,000 - £30,000 (2022: £0 - £5,000)
- Employer's pension contributions £5,000 - £10,000 (2022: £0 - £5,000)

During the year, £1,136 (2022: £Nil) of expenses were reimbursed to one (2022: no) trustee.

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2023 was £15,120 (2022: £11,650). The cost of this insurance is included in the total insurance cost.

CLEVES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

12 Tangible fixed assets

	Freehold land and buildings £	Computer equipment £	Furniture and equipment £	Total £
Cost				
At 1 September 2022	10,322	386	484	11,192
Additions	-	31	85	116
Disposals	-	(63)	-	(63)
At 31 August 2023	10,322	354	569	11,245
Depreciation				
At 1 September 2022	2,005	329	408	2,742
On disposals	-	(63)	-	(63)
Charge for the year	207	41	39	287
At 31 August 2023	2,212	307	447	2,966
Net book value				
At 31 August 2023	8,110	47	122	8,279
At 31 August 2022	8,317	57	76	8,450

13 Debtors

	2023 £	2022 £
Trade debtors	44	13
VAT recoverable	36	62
Prepayments and accrued income	67	99
	147	174

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	85	104
Other taxation and social security	56	113
Other creditors	39	-
Accruals and deferred income	75	89
	255	306

CLEVES ACADEMY TRUST

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

15 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	31	11
	<u>31</u>	<u>11</u>
Deferred income at 1 September 2022	11	58
Released from previous years	(11)	(58)
Resources deferred in the year	31	11
	<u>31</u>	<u>11</u>
Deferred income at 31 August 2023	31	11
	<u>31</u>	<u>11</u>

Income that was deferred at the end of the financial year related to Early Riser income of £2k, GAP fees of £6k, School Meals income of £8k, and Other Government Grants of £15k.

16 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	-	3,071	(3,822)	751	-
Pupil premium	-	90	(90)	-	-
Other DfE/ESFA grants	-	196	(196)	-	-
Other government grants	-	119	(119)	-	-
Pension reserve	(529)	-	(85)	419	(195)
	<u>(529)</u>	<u>3,476</u>	<u>(4,312)</u>	<u>1,170</u>	<u>(195)</u>
Restricted fixed asset funds					
Inherited on conversion	8,445	-	(284)	116	8,277
DfE group capital grants	-	37	-	(30)	7
Assets donated by DfE	5	-	(3)	-	2
	<u>8,450</u>	<u>37</u>	<u>(287)</u>	<u>86</u>	<u>8,286</u>
Total restricted funds	<u>7,921</u>	<u>3,513</u>	<u>(4,599)</u>	<u>1,256</u>	<u>8,091</u>
Unrestricted funds					
General funds	873	1,012	(132)	(837)	916
	<u>873</u>	<u>1,012</u>	<u>(132)</u>	<u>(837)</u>	<u>916</u>
Total funds	<u>8,794</u>	<u>4,525</u>	<u>(4,731)</u>	<u>419</u>	<u>9,007</u>

CLEVES ACADEMY TRUST

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

16 Funds

(Continued)

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

ESFA revenue grant fund and other restricted funds

General Annual Grant (GAG)

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

Fixed asset fund

These grants relate to funding received from the ESFA and Local Authority to carry out work of a capital nature. Capital transfer relates to repairs and maintenance expenditure, and assets funded by unrestricted funds.

Pension reserve

The pension reserve related to the Academy's Local Government Pension Scheme liability for support staff.

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	-	3,001	(3,621)	620	-
Pupil premium	-	97	(97)	-	-
Catch-up premium	-	9	(9)	-	-
Other Coronavirus funding	-	11	(11)	-	-
Other DfE/ESFA grants	-	75	(75)	-	-
Other government grants	-	93	(93)	-	-
Pension reserve	(2,110)	-	(275)	1,856	(529)
	<u>(2,110)</u>	<u>3,286</u>	<u>(4,181)</u>	<u>2,476</u>	<u>(529)</u>
Restricted fixed asset funds					
Inherited on conversion	8,667	-	(276)	54	8,445
DfE group capital grants	6	12	-	(18)	-
Assets donated by DfE	8	-	(3)	-	5
	<u>8,681</u>	<u>12</u>	<u>(279)</u>	<u>36</u>	<u>8,450</u>
Total restricted funds	<u>6,571</u>	<u>3,298</u>	<u>(4,460)</u>	<u>2,512</u>	<u>7,921</u>
Unrestricted funds					
General funds	<u>749</u>	<u>907</u>	<u>(127)</u>	<u>(656)</u>	<u>873</u>
Total funds	<u>7,320</u>	<u>4,205</u>	<u>(4,587)</u>	<u>1,856</u>	<u>8,794</u>

CLEVES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	8,279	8,279
Current assets	1,171	-	7	1,178
Current liabilities	(255)	-	-	(255)
Pension scheme liability	-	(195)	-	(195)
Total net assets	916	(195)	8,286	9,007

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	8,450	8,450
Current assets	873	307	-	1,179
Current liabilities	-	(306)	-	(306)
Pension scheme liability	-	(529)	-	(529)
Total net assets	873	(528)	8,450	8,795

18 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £39k were payable to the schemes at 31 August 2023 (2022: £55k) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

CLEVES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £ 317k (2022: £ 337k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 23.1% for employers and 12.5% for employees.

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

Total contributions made	2023	2022
	£	£
Employer's contributions	143	126
Employees' contributions	42	36
Total contributions	185	162

CLEVES ACADEMY TRUST

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

18 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	4	4.1
Rate of increase for pensions in payment/inflation	3	3.2
Discount rate for scheme liabilities	5.2	4.3

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

	2023 Years	2022 Years
Retiring today		
- Males	21.9	22.1
- Females	25.3	24.5
Retiring in 20 years		
- Males	20.7	23.1
- Females	26.0	26.2

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

	2023 £'000	2022 £'000
Discount rate -0.5%	275	340
Salary increase rate +0.5%	10	10
Pension rate +0.5%	270	330

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

	2023 Fair value £	2022 Fair value £
Equities	2,115	2,160
Corporate bonds	334	398
Property	223	227
Cash and other liquid assets	111	57
Total market value of assets	2,783	2,842

The actual return on scheme assets was £(157,000) (2022: £(145,000)).

CLEVES ACADEMY TRUST

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

18 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	204	364
Interest income	(123)	(48)
Interest cost	147	85
Total operating charge	228	401
Changes in the present value of defined benefit obligations	2023 £	2022 £
At 1 September 2022	3,371	4,996
Current service cost	204	364
Interest cost	147	85
Employee contributions	42	36
Actuarial gain	(699)	(2,049)
Benefits paid	(87)	(61)
At 31 August 2023	2,978	3,371
Changes in the fair value of the academy trust's share of scheme assets	2023 £	2022 £
At 1 September 2022	2,842	2,886
Interest income	123	48
Actuarial loss	(280)	(193)
Employer contributions	143	126
Employee contributions	42	36
Benefits paid	(87)	(61)
At 31 August 2023	2,783	2,842

CLEVES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)		(206)	(382)
Adjusted for:			
Capital grants from DfE and other capital income		(37)	(12)
Investment income receivable	6	(4)	(1)
Defined benefit pension costs less contributions payable	18	61	238
Defined benefit pension scheme finance cost	18	24	37
Depreciation of tangible fixed assets		287	279
Decrease/(increase) in debtors		27	(71)
(Decrease)/Increase in creditors		(51)	26
Net cash provided by operating activities		<u>101</u>	<u>114</u>

20 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	<u>1,005</u>	<u>26</u>	<u>1,031</u>

21 Long-term commitments

Operating leases

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

	2023 £	2022 £
Amounts due within one year	10	9
Amounts due in two and five years	10	6
	<u>20</u>	<u>15</u>

22 Capital commitments

	2023 £	2022 £
Expenditure contracted for but not provided in the accounts	-	44

CLEVES ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

23 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. The following related party transactions took place in the financial period.

Income related party transactions

C Smith, the Deputy Headteacher, through his business Impact Athletic Club, made use of the sports facilities at the school. Income totalling £1,090 (2022: nil) was received by the school, at the same rate available to all persons and entity hiring facilities.

24 Members' liability

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