

**CENTRAL ENGLAND ACADEMY TRUST
(A Company Limited by Guarantee)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2024

Company Limited by Guarantee
Registration Number: 08425914
(England & Wales)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, TRUSTEES AND ADVISORS

Members	P Banks (appointed 15 January 2024) V Biffin A Evans A Gurr (resigned 22 September 2024) P Orrill (appointed 22 April 2024) R Brown (resigned 29 September 2023) S Whitby (resigned 22 April 2024)
Trustees	H Ward, Chair (resigned as Chair 20 December 2023) C Davies, Chair (appointed 21 December 2023) G Smith, Chief Executive Officer & Member of Audit & Risk Committee (resigned 31 August 2024) T Snaith, Member of Audit & Risk Committee P Orrill (resigned 24 March 2024) E Johnson S Bibby, Member of Audit & Risk Committee (appointed 15 January 2024) J Brooks J Davenport J Nason, Chair of Audit & Risk Committee N Khan, Member of Audit & Risk Committee P Kelly F Ahmedabadi-Patel, Member of Audit & Risk Committee (appointed 1 September 2023) Y Zackaria, Member of Audit & Risk Committee (appointed 1 January 2024)
Company Registration Number	08425914
Company Name	Central England Academy Trust
Principal and Registered Office	Morris Drive Nuneaton Warwickshire CV11 4QH
Company Secretary	B Elliott
Senior Management Team	G Smith, Chief Executive Officer (resigned 31 August 2024) A Dickinson, Chief Executive Officer (appointed 1 September 2024) B Elliott, Chief Financial Officer C Warren, Chief Operating Officer J Roberts, Headteacher, Oak Wood Primary School (resigned 31 December 2023), Trust and School Development Director (appointed 1 January 2024) N Wilson, Headteacher, Oak Wood Primary School (appointed 1 January 2024) M Gannon, Headteacher, Higham Lane School (appointed 1 September 2023) S Whiston, Headteacher, Oak Wood Secondary School (appointed 1 September 2023)
Independent Auditor	UHY Hacker Young (Birmingham) LLP 9-11 Vittoria Street Birmingham, B1 3ND
Banker	Lloyds Bank 17/23 Coventry Street Nuneaton, CV11 STD

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates a mainstream 11-18 secondary school, a special primary school and a special secondary school in Nuneaton. As at 16 September 2024, there were 1,475 pupils on roll at Higham Lane School, 140 at Oak Wood Primary School and 178 at Oak Wood Secondary School.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Central England Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company operates as Central England Academy Trust.

Details of the trustees who served during the year except as noted are included in the Reference and Administrative Details on page 3.

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

Central England Academy Trust has in place directors and trustee's liability insurance indemnity cover to a limit of £10m.

Method of Recruitment and Appointment or Election of Trustees

There are clearly defined and approved procedures for the selection and appointment of trustees which are outlined in the company's Articles of Association. These include application, shortlisting and interview procedures. Consideration is given to the skills of trustees which would enhance the effectiveness of the Trust.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new governors and trustees will depend on their experience. Where necessary, induction will provide training on charity, educational, legal and financial matters. All new governors/trustees will be offered a tour of the academies within the trust and have the chance to meet with staff and students. Governors/trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their roles. Health and safety and safeguarding induction is led by the Chief Operating Officer and a Safeguarding Lead.

Governors/trustees are encouraged to participate in governor training, including induction, provided by Warwickshire Education Services and on the academies' own professional development days.

Governors/trustees are also expected to organise 'Learning Walks' and link visits whereby both new and existing governors/trustees spend investigative time in the schools tailored to their individual areas of responsibility and interest and linked to the academy's development and improvement plans.

Organisational Structure

The full Board of Trustees meets at least four time per year, with six meetings scheduled for the current academic year. The board establishes an overall framework for governance of the Trust and determines membership, terms of reference, and procedures of committees. It receives reports, including policies, from its committees for ratification. It delegates responsibility for the monitoring of performance and standards to governing committees and monitors the activities of the committees through the minutes of its meetings.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)

STRUCTURE, GOVERNANCE AND MANAGEMENT (cont'd)

Arrangements for setting pay and remuneration of key management personnel

The pay ranges for the CEO, Headteachers and Assistant/Deputy Headteachers are determined with reference to the criteria specified in the STPCD and ensuring fair pay relativities. The Trustees of the Academy Trust appoint new leadership positions at the bottom point of the relevant pay range unless there are exceptional circumstances.

Each year the CEO's appraisal and target setting are carried out by a performance management committee comprising an external advisor and an appropriate subset of Trustees. Following this, recommendations will be made to the full board as to whether the CEO has met the previous targets set and agree targets for the next academic year. The new targets given to the CEO will inform the targets for all senior leaders for the next year. Following the completion of the academic year the CEO will hold an appraisal meeting with each individual senior leader to establish whether targets have been achieved. Based on this the CEO will then make recommendation to the Board as to whether or not the senior leader should be progressed within the range.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	1.6

Percentage of time spent on facility time

Percentage of time

	Number of Employees
0%	2
1% - 50%	Nil
51% - 99%	Nil
100%	Nil

Percentage of pay bill spent on facility time

Total cost of facility time	Nil
Total pay bill	£14,705,000
Percentage of total pay bill spent on facility time	Nil

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	Nil
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All trade union meetings are typically arranged outside of school hours and no specific time is set aside for union officials during working hours. No cost relating to union official facility time is therefore incurred by the Trust.

OBJECTIVES AND ACTIVITIES

Objectives and Aims

At Central England Academy Trust we value, respect, celebrate each other and promote diversity within a safe, supportive, nurturing environment to enable the very best learning from every pupil. Our Mission: Together We Grow to Transform Lives permeates throughout all schools within the Trust. Our Vision: CEAT will continue to grow to provide excellent educational and professional opportunities to benefit as many young people, staff and families as possible and meet the needs of our communities and Trust Strapline: Serving the Heart of England reminds the Trust that achieving high standards requires a holistic approach involving the whole community: Trust staff, governors, trustees, parents, carers, professionals and support from the local community and beyond. Our Trust values encapsulates our Trust's ethos and beliefs:

- Collaboration (Better together)
- Aspiration (Be your best self)
- Equity (Fairness)
- Trust (Feeling safe)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)**Objectives and Aims (cont'd)**

Under its Articles of Association, The Company's objects ("the Objects") are specifically restricted to the following:

- a) To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the mainstream Academies") offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age, who by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies").
- b) To promote for the benefit of the inhabitants of Nuneaton and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and the object of improving the condition of life of the said inhabitants.

How Academy leaders and Trustees promote school improvement

At Central England Academy Trust leaders have the children's safety, welfare and learning at the forefront of all decision-making. Each trustee overviews at least one aspect of the school's life, working as a strong team to improve learning and to raise standards. Pupil voice, through the School's Councils, and parent consultation, through meetings and surveys, mean that the whole school community is part of the consultation and decision-making process. The CEO works in conjunction with the headteachers to overview all aspects of the school community to identify priorities, plan and action developments for these and to closely monitor outcomes. The Local Governing Board for each school monitors school improvement priorities through regular visits to the school for meetings and learning walks; it also spends time on scrutiny of documentation and ensures that rigorous appraisal procedures of the Headteachers and staff is adhered to. The CEO of the Trust is a National Leader in Education and the Trust also employs a Trust and School Improvement Director to promote school improvement.

Our skilled staff team has been able to take the school forward in a number of ways which has been and continues to be challenging due to the pandemic. The Trust has previously achieved the Gold for the Mental Health in Schools Award. The Staff Wellbeing Working Group has gone from strength to strength in supporting mental health across the Trust. They meet on a regular basis and have a range of initiative and strategies to promote good mental health.

The Trust is committed to:

- Ensuring our recruitment process is inclusive and accessible;
- Communicating and promoting vacancies;
- Offering an interview to disabled people who meet the minimum criteria for the job;
- Anticipating and providing reasonable adjustments as required; and
- Supporting any existing employee who acquires a disability or long-term Health condition, enabling them to stay in work at least one activity that will make a difference for disabled people.

Public Benefit

The Members confirm that they have complied with the requirement in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)

OBJECTIVES AND ACTIVITIES (cont'd)

CEAT Priorities 2023-24

To maximise individual potential CEAT will prioritise:

1 Quality of Education

- Ensure outstanding outcomes in all schools through the implementation of a well-planned, inclusive and aspirational curriculum with strong teaching and learning.
- Deploy the workforce effectively for maximum impact in the classroom.
- Maximise the effectiveness of Teaching Assistants.

2 Behaviour and Attitudes

- Develop Trust Relational Procedures to ensure outstanding behaviour across the schools through developing proactive strategies that will both meet school requirements and the individual needs of young people.

3 Personal Development

- Develop learning opportunities for pupils to work on joint projects across the schools and access facilities and business opportunities within the local community and beyond.

4 Leadership and Management

- Develop and deliver a 5-year MAT Growth Plan.
- Develop Trust Central Support Services (business and education) through strengths-based and collaborative approaches.
- Increase revenue through grants and bids.
- Building projects (Higham Lane North Academy, Oak Wood Primary extension, Oak Wood Secondary Sixth Form Centre).

5 Safeguarding and Wellbeing

- Further develop good practice effectively supporting the mental health and wellbeing of pupils and staff post-COVID.
- Aligned approach to safeguarding across the Trust including joint projects.
- Integrated approach to safeguarding, behaviour management, pastoral and SEND.

STRATEGIC REPORT

Achievements and performance

Oak Wood Primary and Oak Wood Secondary School were both inspected by Ofsted in the Autumn Term of 2023.

Both schools were again judged as good.

The Progress 8 score, a key national benchmark, for the 2023-24 cohort for Higham Lane School is estimated to be +0.63. This is a hugely successful outcome for the School and Trust.

The Trust continues to explore possibilities for growth.

Outreach led by Jen Roberts, Trust Outreach Lead and Trust and School Development Director, has gone from strength to strength and it has been very popular amongst local schools. Projects have ranged from whole school staff training to individual pupil support.

Key performance indicators	2024	2023
Pupil numbers	1,793	1,742
Staff costs as % of total revenue grant income	86%	93%
Staff costs as % of total costs	80%	80%
Capital expenditure per pupil	407	321
Net Current Assets	2,578,000	3,236,000
Net Assets	18,322,000	19,142,000

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)**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 they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

FINANCIAL REVIEW**Reserves policy**

The Trustees review the level of reserves of the Academy annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Academy held fund balances at 31 August 2024 of £18,322,000 (2023 : £19,142,000) consisting of £17,153,000 (2023 : £18,194,000) restricted funds and £1,169,000 (2023 : £948,000) unrestricted funds. Included in restricted funds is an amount of £15,404,000 (2023 : £15,722,000) invested in fixed assets and a pension reserve of £Nil (2023 : £Nil).

Investment policy

Investments must be made only in accordance with written procedures written by the Board of Trustees. All investments must be recorded in sufficient detail to identify the cost and description of the investment, the date of purchase and a calculation of current market value. The Trust has only thus far chosen to place funds on deposit with its bankers though this will be reviewed.

Principal risks and uncertainties

The principal risks to the Academy, as for most educational establishments, include failure to maintain and improve standards of pupils' achievements and their personal development and welfare resulting in damage to reputation. Both of these areas could ultimately result in a decline in student numbers which would have a detrimental impact on funding for the Trust.

Control measures have been put in place with the aim to mitigate and/or minimise these risks.

The Trust has a detailed Risk Register which has identified the key risks to the Trust and has several approaches to mitigate these risks.

The likelihood and impact of each key risk is made and a risk score identified. The Trust will then identify it is treating, transferring, tolerating or terminating the risk identified. Detailed control measures have been identified for each risk including the use of policies, individual oversight or inspections. The Trust uses an external company to undertake internal audit work for the Trust.

The presence of RAAC concrete in buildings became a national issue in August 2023 for many schools and the wider public sector. Given the period over which RAAC was commonly used as well as the ages of the vast majority buildings of the schools in the Trust, it was unlikely that RAAC would be found. From the work undertaken by the external investigations commissioned by the Department for Education, no RAAC concrete has been found. The Trust sees Estates Management becoming a more prominent national issue in the education sector in future years.

Fundraising

The majority of the Academy Trust's income is provided by the government, either local or national. Oak Wood Schools have a Fundraising Committee which has been resurrected following the pandemic. The Trust intends to commission a fundraising consultant this forthcoming academic year.

Plans for the future periods

- Further outreach provision;
- Grow the MAT with a view of attracting local mainstream schools in the first instance;
- To embed the curriculum programmes and initiatives.

Funds held as custodian on behalf of others

Central England Academy Trust does not administer the funds of another entity as its agent or as custodian trustee.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)

Auditors

Insofar as the Trustees are aware:

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

The auditors, UHY Hacker Young (Birmingham) LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 11 December 2024 and signed on its behalf by:

C Davies
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C Davies
Chair of Trustees

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2024

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Central England 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.

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 4 times during the year.

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

Trustee	Meetings attended	Out of a possible
H Ward, Chair (part-year)	4	4
C Davies, Chair (part-year)	4	4
G Smith, Chief Executive Officer & Member of Audit and Risk	4	4
T Snaith, Member of Audit and Risk	4	4
P Orrill	3	3
J Brooks	4	4
S Bibby, Member of Audit and Risk	-	2
J Davenport	4	4
J Nason, Chair of Audit and Risk	3	4
F Ahmedabadi-Patel, Member of Audit and Risk	2	4
P Kelly	2	4
E Johnson	3	4
N Khan, Member of Audit and Risk	3	4
Y Zackaria, Member of Audit and Risk	1	2

Conflicts of Interest

It is important that the Trust recognises conflicts of interest when they arise and ensures that these are managed appropriately. In order to comply with this, the Trust follows a three-step approach:-

- identify a conflict of interest
- deal with a conflict of interest
- record a conflict of interest

In following the above, this means that trustees are ensuring that they are acting in the best interest of the Trust should any conflicts arise.

Meetings

The Audit & Risk Committee is also a sub-committee of the main Board of Trustees. Its purpose is to support:

- the Chief Executive in his role as Accounting Officer
- the work of the Chief Finance Officer (CFO) and Chief Operating Officer (COO)
- the Trustee Board in its responsibility for ensuring the adequacy of risk management, internal control and governance arrangements and that public funds are used efficiently and effectively.

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
G Smith	3	3
T Snaith	3	3
N Khan	1	3
J Nason	3	3
F Ahmedabadi-Patel	3	3
Y Zackaria	2	2
S Bibby	-	2

Review of value for money

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

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

- Despite the pandemic and its long-lasting impacts on education, Higham Lane School has delivered an excellent indicative Progress 8 score of +0.63, the highest in the School's history.
- During the 2023/24 year, the Trust successfully obtained a CIF grant to support with asbestos removal and boiler replacement.
- During the 2023/24 academic, both Oak Wood Primary and Oak Wood Secondary School were judged as Good by Ofsted, the same judgments received previously.

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 Central England Academy Trust for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy 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 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees. 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

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)**The risk and control framework (cont'd)**

- regular reviews by the Audit and Risk 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) guideline
- identification and management of risks

The Board of Trustees has decided to employ Warwickshire County Council as internal auditor.

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

- Aged debtors and creditors
- Income
- Accounting system
- Audit requirements
- Credit card requirements
- Pensions' management
- Risk register and internal controls
- Fixed Asset Register
- Grants and Hospitality Register
- Trustees and SLT – skills, knowledge and experience
- Appraisal process

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

The Academy Trust has confirmed that the appointee has delivered their schedule of work as planned. No material control issues were noted and no areas of non-compliance with prevailing guidance such as the Academy Trust Handbook.

Review of Effectiveness

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

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

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

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

Conclusion

Based on the advice of the Audit and Risk Committee and the Accounting Officer, the Board of Trustees are of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees on 11 December 2024 and signed on its behalf by:


C Davies
Chair of Trustees


A Dickinson
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2024

As Accounting Officer of Central England Academy Trust, I have considered my responsibility to notify the Board of Trustees and the Education Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, including for estates safety and management, under the funding agreement, between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibility for estates safety and management.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2023 including responsibilities for estates safety and management.

I confirm that no instances of material irregular, 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.



A Dickinson
Accounting Officer
11 December 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2024

The trustees (who act as governors of Central England Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 11 December 2024 and signed on its behalf by:


C Davies
Chair of Trustees

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL ENGLAND ACADEMY TRUST
FOR THE YEAR ENDED 31 AUGUST 2024****Opinion**

We have audited the financial statements of Central England Academy Trust for the year ended 31 August 2024 which comprise Statement of Financial Activities, the Balance Sheet and the Statement of Cash Flows and notes to the financial statement, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Central England Academy Trusts affairs as at 31 August 2024 and of its incoming resources and application of resources, including income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statement 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 Central England Academy Trusts 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 financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL ENGLAND ACADEMY TRUST FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report (incorporating the Strategic Report, and the Trustees' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 15, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL ENGLAND ACADEMY TRUST
FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)**

Based on our understanding of the Central England Academy Trust and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Central England Academy Trust, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities SORP 2019 and Academies Accounts Direction 2023 to 2024. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the Central England Academy Trust's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Education and Skills Funding Agency review of correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

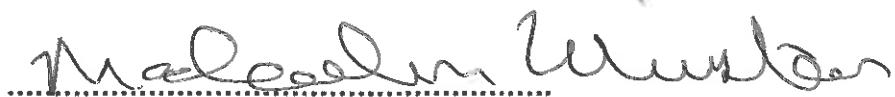
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL ENGLAND ACADEMY TRUST
FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)

Use of our report

This report is made solely to the Central England Academy Trust'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 Central England Academy Trust'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 Central England Academy Trust'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 Central England Academy Trust's and the Central England Academy Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



Malcolm Winston
Senior Statutory Auditor
UHY Hacker Young (Birmingham) LLP, Statutory Auditor
9-11 Vittoria Street
Birmingham
B1 3ND

11 December 2024

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CENTRAL ENGLAND ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2024

In accordance with the terms of our engagement letter dated 21 June 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2023 to 2024 we have carried out an engagement to obtain limited assurance about whether, the expenditure disbursed and income received by the Central England Academy Trust during the period 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Central England Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Central England Academy Trusts funding agreement with the Secretary of State for Education dated 1 July 2013, and the Academy Trust Handbook extant from 1 September 2023 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 2023 to 2024. 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 2023 to 31 August 2024 have not been applied to purposes intended by Parliament and 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 Accountants issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Summary of the work undertaken was as follows:

- Analytical review of the Central England Academy Trust's general activities are within the multi academy trusts framework of authorities;
- Consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CENTRAL ENGLAND ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)**Approach (cont'd)**

- Review of the general control environment for the Central England Academy Trust on financial statements and on regularity;
- Sample testing of expenditure transactions to ensure the activity is permissible within the multi academy trust's framework of authority;
- Confirmation that a sample of expenditure has been appropriately authorised in accordance with the multi academy trust's delegated authorities;
- Formal representations obtained from the Board of Trustees and the accounting officer acknowledging the responsibilities including disclosing all non compliance with laws and regulations specific to the authorising framework;
- Confirmation that any extra contractual payments such as severance and compensation payments have been appropriately authorised;
- Review of credit card expenditure for any indication of personal use by staff, principal or Trustees;
- Review of specific terms of grant funding within the funding agreement;
- Review of related party transactions for connections with the principal/finance manager or Trustees; and
- Review of income received in accordance with the activities permitted within the multi academy trust's charitable objectives.

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 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

UHY Hacker Young (Birmingham) LLP
Reporting Accountant
UHY Hacker Young (Birmingham) LLP
9-11 Vittoria Street
Birmingham
B1 3ND

11 December 2024

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2024
(Including Income and Expenditure Account)

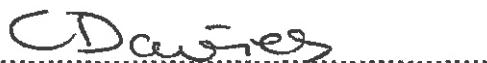
		Unrestricted Funds Note	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2024 £'000	As Restated Total 2023 £'000
Income from:						
Donations and capital grants	3	168	-	317	485	554
Transfer of academy into academy trust	3 & 31	-	-	-	-	11,255
Charitable activities:						
- Funding for the academy trust's educational operations	4	1	17,159	-	17,160	15,964
- Teaching school hub	4	-	11	-	11	-
Other trading activities	5	88	-	-	88	142
Investment income	6	61	-	-	61	80
Total		318	17,170	317	17,805	27,995
Expenditure on:						
Raising funds	7	1	-	-	1	5
Charitable activities:						
- Academy trust's educational operations	7	-	17,301	1,083	18,384	17,471
- Teaching School hub	7	-	11	-	11	-
Total		1	17,312	1,083	18,396	17,476
Net income/(expenditure)		317	(142)	(766)	(591)	10,519
Transfers between funds	17	(96)	(352)	448	-	-
Other recognised gains and losses						
Actuarial gain on defined benefit pension schemes	28	-	531	-	531	2,407
Asset ceiling adjustment	28	-	(760)	-	(760)	(711)
Net movement in funds		221	(723)	(318)	(820)	12,215
Reconciliation of funds						
Total funds brought forward	17	948	2,181	15,535	18,664	6,927
Prior year adjustment	33	-	291	187	478	-
Total funds brought forward restated		948	2,472	15,722	19,142	19,142
Total funds carried forward	17	1,169	1,749	15,404	18,322	19,142

All of the Central England Academy Trust's activities derive from acquisitions and continuing operations during the above two financial periods.

BALANCE SHEET AS AT THE YEAR ENDED 31 AUGUST 2024

			As Restated	
	Note		2024 £'000	2023 £'000
Fixed assets				
Tangible assets	13		16,141	16,494
			<u>16,141</u>	<u>16,494</u>
Current assets				
Debtors	14		729	492
Cash at bank and in hand			<u>2,822</u>	<u>3,527</u>
			<u>3,551</u>	<u>4,019</u>
Current liabilities				
Creditors: Amounts falling due within one year	15		(973)	(783)
Net current assets			<u>2,578</u>	<u>3,236</u>
Total assets less current liabilities			18,719	19,730
Creditors: Amounts falling due after more than one year	16		(397)	(588)
Net assets excluding pension liability			18,322	19,142
Defined benefit pension scheme liability	28		-	-
Total Net Assets			18,322	19,142
Funds of the Academy:				
Restricted funds				
- Fixed asset fund	17		15,404	15,722
- Restricted income fund	17		1,749	2,472
- Pension reserve	17		-	-
Total Restricted Funds			17,153	18,194
Unrestricted income fund	17		869	948
Designated Growth Fund	17		300	-
Total Unrestricted Funds			1,169	948
Total Funds			18,322	19,142

The financial statements on pages 22 to 47 were approved by the trustees and authorised for issue on 11 December 2024 and signed on their behalf by:



C Davies
Chair

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	As restated 2024 £'000	2023 £'000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(166)	1,800
Cash flows from investing activities	22	(352)	(511)
Cash flows from financing activities	23	(187)	(181)
Change in cash and cash equivalents in the reporting period		<u>(705)</u>	<u>1,108</u>
Cash and cash equivalents at 1 September			
Cash and cash equivalents at 31 August	24	<u>2,822</u>	<u>3,527</u>

1 Statement of Accounting Policies

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

Basis of Preparation

The financial statements of the 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 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Central England Academy Trust meets the definition of a public benefit entity under FRS 102.

Transfer of existing academies into the academy trust

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired. See note 31.

Going Concern

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

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 year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

- **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 receipt is probable and it can be measured reliably.

1 Statement of Accounting Policies (cont'd)**• Donations**

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

• Other income

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

• Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'.

Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

Expenditure

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

• Expenditure on Raising Funds

This includes all expenditure incurred by the Academy 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.

All resources expended are inclusive of irrecoverable VAT.

Government Grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

Tangible Fixed Assets

Assets costing £1,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

1 Statement of Accounting Policies (cont'd)**Tangible Fixed Assets (cont'd)**

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

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. The principal annual rates used for both Oak wood schools assets acquired prior to 31 August 2022 are:

Long Term Leasehold Property	2%
Furniture and fixtures	20%
Computer equipment	20%
Motor vehicles	20%

The principal annual rates used for Central England Academy Trust assets acquired after 31 August 2022 are:

Long Term Leasehold Property	2%
Furniture and fixtures	10 - 15%
Computer equipment	33%
Motor vehicles	20%

Additionally, Higham Lane School acquired a leasehold building gifted from the local authority which is depreciated over its useful life at a annual rate of 5.36%

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.

Interest receivable

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

Operating leases

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

Debtors

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

Cash at bank and in hand

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

Liabilities

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 Statement of Accounting Policies (cont'd)**Provisions**

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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 Instruments

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instrument, and are measured at amortised cost as detailed in notes 15 and 16. 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.

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.

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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 on the basis of quadrennial valuations using a prospective unit credit method. The TPS is a multi employer scheme with no underlying assets to assign between employers. Consequently the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a multi funded 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 operating surplus are the current service costs and the costs of the scheme introductions, benefit changes, settlements and curtailments.

1 Statement of Accounting Policies (cont'd)**Pensions Benefits (cont'd)**

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.

Any LGPS surpluses will only be recognised as an asset in the financial statements to the extent that the academy trust can recover this surplus, either through a reduction in future contributions or through a refund to the academy trust.

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/Department for Education.

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. 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.

1 Statement of Accounting Policies (cont'd)**Critical areas of judgement**

The critical areas of judgement are accounting for government grants, accounting for the write down of assets through depreciation and accounting for the pension liability. Government grants are accounted for as restricted funds. The pension liability is assessed by an independent actuarial valuation. Depreciation rates are based on the expected life of the asset.

The preparation of the financial statements in conformity with generally accepted accounting principles requires the Trustees to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results in the future could differ from those estimates. In this regard, the Trustees believe that the critical accounting policies where judgements or estimating are necessarily applied are summarised below:

Tangible fixed assets are depreciated over the useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values, and plans to dispose of an asset before the previously expected date.

2 GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the Central England Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2024 (see note 17).

3 DONATIONS AND CAPITAL GRANTS

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000
DfE/ESFA capital grants	-	317	317	447
Other ESFA capital grants	-	-	-	103
Transfer of existing academies				
Assets and liabilities transferred	-	-	-	11,899
LGPS pension transferred	-	-	-	(644)
Donations	168	-	168	4
	168	317	485	11,809

The income from donations and capital grants was £485,000 (2023: £11,809,000) of which £168,000 (2023: £983,000) was unrestricted, £NII (2023: £8,000) restricted and £317,000 (2023: £10,818,000) restricted fixed assets.

4 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000
DfE/ESFA grants				
General annual grant (GAG) (note 2)	-	9,593	9,593	9,427
Post 16-19 core grant	-	1,567	1,567	1,600
Rates relief grant	-	38	38	29
Other DfE/ESFA grants				
Universal infant free school meals grant	-	15	15	15
New School Opening Grant	-	-	-	30
PE and sports grant	-	17	17	17
Pupil premium grant	-	384	384	358
Teachers pay grant	-	300	300	55
Teachers pension grant	-	373	373	192
Supplementary grant	-	-	-	213
Mainstream additional schools grant	-	250	250	104
Other DfE/ESFA grants	-	52	52	86
National tutoring programme	-	13	13	34
Recovery Premium	-	160	160	91
Other DfE/ESFA COVID-19 funding	-	-	-	39
	-	12,762	12,762	12,290
Other Government grants				
Special educational needs	-	3,750	3,750	3,437
Local authority grants	-	330	330	28
	-	4,080	4,080	3,465
Other income from the academy trust's educational operations:				
Other	1	301	302	209
Pupil catering income	-	16	16	-
	1	317	318	209
Teaching school hub				
DfE/ESFA grants	-	11	11	-
	-	11	11	-
	1	17,170	17,171	15,964

The income from funding for the Academy Trust's Educational Operations was £17,171,000 (2023: £15,964,000) of which £1,000 (2023: £9,000) was unrestricted and £17,170,000 (2023: £15,955,000) restricted.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)

5 OTHER TRADING

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000
Hire of facilities	24	-	24	39
Other income	64	-	64	103
	88	-	88	142

The income from the academy trusts' other trading activities was unrestricted for both 2024 and 2023.

6 INVESTMENT INCOME

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2024	2023
	£'000	£'000	£'000	£'000
Bank interest received	61	-	61	80
	61	-	61	80

The income from the academy trust's investment activities was unrestricted for both 2024 and 2023.

7 EXPENDITURE

	Non Pay Expenditure			As restated	
	Staff Costs	Premises	Other Costs	Total	Total
	£'000	£'000	£'000	2024	2023
Expenditure on raising funds					
- Direct costs	-	-	-	-	5
- Allocated support costs	-	-	1	1	-
	-	-	1	1	5
Academy's educational operations					
- Direct costs	12,352	-	1,000	13,352	12,596
- Allocated support costs	2,342	2,088	602	5,032	4,875
	14,694	2,088	1,602	18,384	17,471
Teaching school hub					
- Direct costs	11	-	-	11	-
	11	-	-	11	-
	14,705	2,088	1,603	18,396	17,476

The expenditure was £18,396,000 (2023: £17,476,000) of which £1,000 (2023: £582,000) was unrestricted, £17,312,000 (2023: £15,888,000) restricted and £1,083,000 (2023: £1,006,000) restricted fixed assets.

	2024	2023
	£'000	£'000
Net (income)/expenditure for the year includes:		
Operating leases rentals	19	35
Depreciation	1,081	1,001
Loss on disposal of fixed assets	2	5
Fees payable to auditor for:		
- audit	14	14
- other services	6	4

8 CHARITABLE ACTIVITIES

Direct costs - educational operations
Support costs - educational operations

	As restated	
	Total 2024 £'000	Total 2023 £'000
Direct costs - educational operations	13,352	12,596
Support costs - educational operations	5,032	4,875
	18,384	17,471

Analysis of Support Costs

Support staff costs
Depreciation
Loss on disposal
Technology costs
Premises costs
Legal costs - conversion
Legal costs - other
Other support costs
Governance costs

	As restated	
	Total 2024 £'000	Total 2023 £'000
Support staff costs	2,342	2,437
Depreciation	1,081	1,001
Loss on disposal	2	5
Technology costs	118	48
Premises costs	1,007	904
Legal costs - conversion	-	7
Legal costs - other	13	12
Other support costs	385	363
Governance costs	85	98
	5,033	4,875

9 STAFF COSTS**a Staff costs and employee benefits**

Staff costs during the year were:

Wages and salaries
Social security costs
Pension costs
Other employee benefits

	As restated	
	Total 2024 £'000	Total 2023 £'000
Wages and salaries	10,558	9,835
Social security costs	1,055	982
Pension costs	2,196	2,380
Other employee benefits	-	-
	13,809	13,197

Agency staff costs

Staff restructuring costs

	As restated	
	Total 2024 £'000	Total 2023 £'000
Agency staff costs	888	910
Staff restructuring costs	8	48
	14,705	14,155

Staff restructuring costs comprise:

Redundancy payments
Severance payments
Other restructuring costs

	As restated	
	Total 2024 £'000	Total 2023 £'000
Redundancy payments	-	-
Severance payments	8	10
Other restructuring costs	-	38
	8	48

b Staff severance contractual and non contractual payments

The academy trust paid 1 severance payment in the year (2023: 3)

	As restated	
	2024	2023
0 - £25,000	1	2
£25,001 - £50,000	-	1

c Special staff severance non contractual payments

Included in staff restructuring costs there are no non-contractual severance payments (2023: £9,500).

9 STAFF COSTS (cont'd)**d Staff numbers**

The average number of persons (including School Leadership Team) employed by the Academy during the year ended 31 August 2024 expressed as whole persons was as follows:

	2024	2023
Charitable Activities	No	No
Teachers	120	123
Administration and support - including Teaching Assistants	229	219
Management	14	12
	363	354

e Higher paid staff

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

	No	No
£60,001 - £70,000	1	8
£70,001 - £80,000	7	2
£80,001 - £90,000	1	-
£90,001 - £100,000	3	2
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-
	1	-

f Key management personnel

The key management of the academy trust comprise the trustees and the Senior Leadership Team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £868,157 (2023: £748,698).

10 CENTRAL SERVICES

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

- human resources
- financial services
- legal services
- educational support services including technology/ICT provision
- non education supplies and services including technology/ICT provision

The charge to the schools for central services has remained on a similar basis in 2023-24 to the prior academic year with each school paying for the relevant services provided by the central function. Such an approach was agreed as part of Higham Lane School joining the Trust in September 2022.

A percentage charge has been calculated for each of the three schools in 2024/25 based on total income less applicable SEND funding. The Trust is expected to grow over the coming years and the methodology and charge used for the central service charge will be kept under review, particularly given the expectation that two additional schools will fall under the Trust's remit from September 2025.

	2024	2023
	£'000	£'000
The actual amounts charged during the year were as follows:		
Oak Wood Primary School	146	198
Oak Wood Secondary School	177	232
Higham Lane School	147	-
	470	430

11 RELATED PARTY TRANSACTIONS – TRUSTEES' REMUNERATION AND EXPENSES

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The chief executive officer and other staff trustees receive remuneration in respect of their contracts of employment as chief executive officer and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as trustees. The value of trustee's remuneration and other remuneration was as follows:

	2024	2023
G R Smith (Chief Executive Officer and Trustee)		
Remuneration	£125,000 - £130,000	£115,000 - £120,000
Employers pension	£30,000 - £35,000	£25,000 - £30,000

During the year ended 31 August 2024, expenses totalling £291 were reimbursed or paid directly to 1 Trustees (2022 - £1,331 to 2 Trustee). The expenses incurred were travel costs for attending a Trust conference and addressing a strategic matter on behalf of the Trust.

Other related party transactions including Trustees are set out in note 29.

12 TRUSTEES' AND OFFICERS' INSURANCE

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

13 TANGIBLE FIXED ASSETS

	Leasehold					Total
	Land & Buildings	Furniture & Equipment	Computer Equipment	Motor Vehicles	Assets Under Construction	
Cost	£'000	£'000	£'000	£'000	£'000	£'000
At 1 September 2023	16,121	1,319	771	53	253	18,517
As restated	-	-	-	-	478	478
Additions	-	237	32	37	424	730
Disposals	-	(2)	(39)	-	-	(41)
Reclassification	-	952	-	-	(952)	-
At 31 August 2024	<u>16,121</u>	<u>2,506</u>	<u>764</u>	<u>90</u>	<u>203</u>	<u>19,684</u>

Depreciation

At 1 September 2023	1,650	448	371	32	-	2,501
Charged in year	656	263	144	18	-	1,081
Disposal	-	(2)	(37)	-	-	(39)
At 31 August 2024	<u>2,306</u>	<u>709</u>	<u>478</u>	<u>50</u>	<u>-</u>	<u>3,543</u>

Net book value

At 31 August 2024	<u>13,815</u>	<u>1,797</u>	<u>286</u>	<u>40</u>	<u>203</u>	<u>16,141</u>
At 31 August 2023	<u>14,471</u>	<u>871</u>	<u>400</u>	<u>21</u>	<u>731</u>	<u>16,494</u>

14 DEBTORS

	2024	2023
	£'000	£'000
Trade debtors	173	105
VAT recoverable	36	105
Prepayments and accrued income	520	269
Other debtors	-	13
	<u>729</u>	<u>492</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2024 £'000	2023 £'000
Trade creditors	66	93
CIF Loan	191	187
Accruals	369	378
Deferred income	314	125
	973	783

Deferred Income

Deferred income at 1 September 2023	125	48
Resources deferred in the	314	125
Amounts recognised as income during the year	(125)	(48)
Deferred income at 31 August 2024	314	125

At the balance sheet date the academy trust was holding funds received in advance for 2023/24 for universal free school meals £9,000 (2023:£9,000), the National Tutoring Programme £20,000 (2023:£16,000), Ski Trip £5,000 (2023:£7,000), Family support worker income £Nil (2023:£65,000), Outreach project £91,000 (2023: £Nil), Teachers Pay and Pension grants £223,000 (2023:£Nil), Higher needs learning £Nil (2023:£30,000), SLT income £Nil (2023:£25,000) and D of E £Nil (2023:£3,000).

For terms of the CIF loan see note 16.

16 CREDITORS: AMOUNTS FALLING DUE IN GREATER THAN ONE YEAR	2024 £'000	2023 £'000
CIF Loan	397	588
	397	588

In 2016, Higham Lane School took out an ESFA funded CIF loan repayable over 10 years at an interest rate of 2.21% per year.

17 FUNDS

The income funds of the academy applied for specific purposes are as follows:

	As restated		Resources		Gains, Balance at	
	Balance at 1 September		Resources		Losses & Transfers	
	2023 £'000	£'000	£'000	£'000	£'000	£'000
Restricted general funds						
General annual grant (GAG) (note i)	2,472	9,593	(9,964)	(352)		1,749
Post 16-19 core grant funding (note i)	-	1,567	(1,567)	-		-
Rates relief grant	-	38	(38)	-		-
UIFSM grant (note xiv)	-	15	(15)	-		-
PE sports grant	-	17	(17)	-		-
Pupil premium grant (note ii)	-	384	(384)	-		-
Teachers pay (note vi)	-	300	(300)	-		-
Teachers pension (note vi)	-	373	(373)	-		-
ESFA - Mainstream Schools Additional Grant	-	250	(250)	-		-
Other DfE/ESFA	-	88	(88)	-		-
Covid recovery premium	-	160	(160)	-		-
Outreach Project	-	39	(39)	-		-
National tutoring programme	-	13	(13)	-		-
Teaching School	-	11	(11)	-		-
LA - Pupil Premium	-	37	(37)	-		-
LA - SEN	-	3,750	(3,750)	-		-
LA - Other	-	293	(293)	-		-
Non-Govt - Other grants	-	26	(26)	-		-
Other - Pupil Meals	-	16	(16)	-		-
Other income from the Trust's educational operations	-	200	(200)	-		-
Total general funds	2,472	17,170	(17,541)	(352)		1,749
Restricted fixed asset funds						
Fixed assets donation (note viii)	7,093	-	-	-		7,093
Transfer on Conversion	3,788	-	(534)	-		3,254
Devolved formula capital grant (note vii)	338	53	(69)	-		322
CIF grant (note vii)	2,489	264	(121)	195		2,827
Capital expenditure from GAG (note ix)	1,708	-	(356)	253		1,605
Capital expenditure from school fund (note x)	20	-	-	-		20
Capital expenditure from Unrestricted funds (note x)	148	-	(3)	-		145
Private sector sponsorship donation (note xi)	138	-	-	-		138
Total fixed asset funds	15,722	317	(1,083)	448		15,404
Restricted pension scheme liability						
Pension reserve (note xiii)	-	-	229	(229)	-	-
	-	-	229	(229)	-	-
Total restricted funds	18,194	17,487	(18,395)	(133)		17,153
Unrestricted funds						
Unrestricted funds (notes xi and xii)	948	318	(1)	(396)		869
Growth Fund	-	-	-	300		300
Total unrestricted funds	948	318	(1)	(96)		1,169
Total funds	19,142	17,805	(18,396)	(229)		18,322

Notes

- i) General Annual Grant must be used for the normal running costs of the School. 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 would carry forward at 31 August 2023. (see note 2)
- ii) Pupil Premium grant has been used to support children from low income families placed at the School.
- iii) Pupil Premium catch-up money was used for individual and small-group tuition for year 7 pupils to promote improvements with literacy and numeracy.
- iv) Special needs grant from WCC has been used to support pupils with learning or behavioural issues by providing teaching and teaching assistant support.
- v) School funds are contributions received from parents which are used to support the Academy Trust's activities.
- vi) Teachers pay, teachers pension and free school meal supplementary grants have been used to improve skills for employment and behaviour in school.
- vii) Devolved formula capital and CIF grant has been used for a new replacement building and a new boiler.
- viii) Restricted fixed assets were funded by government grants, a transfer from General Annual Grant (GAG) and by WCC donating Academy land and buildings on a 125 year lease at a pepper corn rent.
- ix) The gross transfer from the restricted general fund to the restricted fixed asset fund of £352,000 (2023: £591,000) represents the total capital expenditure from GAG during the year and contribution to the repayment of a CIF loan.
- x) A gross transfer from the restricted school fund to the restricted fixed asset fund was used to contribute to the finance of the new 6th Form building.
- xi) A private sector sponsorship unrestricted donation was received in 2016 from Chartwells which has been used to contribute to the finance of the new 6th Form building.
- xii) An unrestricted funds transfer of £96,000 (2023: £Nil) has been used to contribute to the fixed assets fund.
- xiii) The pension reserve represents the deficit on the Local Government Pension Scheme (see note 27).
- xiv) Universal infant free school meals (UIFSM) provides funding for all government funded schools to offer free school meals to pupils in reception, year 1, and year 2.
- xv) A Growth Fund has been set up to support the expansion of the multi academy trust.

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

	Balance at 1 September 2022	Incoming Resources	As restated Resources Expended	As restated Gains, Losses & Transfers	As restated Balance at 31 August 2023
Restricted general funds	£'000	£'000	£'000	£'000	£'000
General annual grant (GAG) (note i)	2,102	10,079	(9,118)	(591)	2,472
Post 16-19 core grant funding (note i)	-	1,600	(1,600)	-	-
Rates relief grant	-	29	(29)	-	-
Pupil premium grant (note ii)	-	358	(358)	-	-
Teachers pay (note vi)	-	55	(55)	-	-
Teachers pension (note vi)	-	192	(192)	-	-
UIFSM grant (note xiv)	-	15	(15)	-	-
PE sports grant	-	17	(17)	-	-
National tutoring programme	-	34	(34)	-	-
Covid catch up premium	-	39	(39)	-	-
Covid recovery premium	-	91	(91)	-	-
Other DfE/ESFA	-	86	(86)	-	-
Other LA grants	50	28	(78)	-	-
LA Pupil premium grant	-	3,437	(3,437)	-	-
Supplementary grant	-	213	(213)	-	-
New school opening grant	-	30	(30)	-	-
Mainstream School Additional Grant	-	104	(104)	-	-
Other income from the Trust's educational operations	-	200	(200)	-	-
Total general funds	2,152	16,607	(15,696)	(591)	2,472
Restricted fixed asset funds					
Fixed assets donation (note vii)	3,818	-	(31)	-	3,787
Transfer on Conversion	-	7,589	(496)	-	7,093
Devolved formula capital grant (note vii)	17	350	(29)	-	338
CfC grant (note vii)	-	2,357	(55)	187	2,489
Capital expenditure from GAG (note ix)	1,484	142	(321)	404	1,709
Capital expenditure from school fund (note x)	-	20	-	-	20
Capital expenditure from Unrestricted funds (note x)	-	155	(7)	-	148
Private sector sponsorship donation (note xi)	-	205	(67)	-	138
Total fixed asset funds	5,319	10,818	(1,006)	591	15,722
Restricted pension scheme liability					
Pension reserve (note xiii)	(860)	(644)	(192)	1,696	-
	(860)	-	(192)	1,696	-
Total restricted funds	6,611	26,781	(16,894)	1,696	18,194
Unrestricted funds					
Unrestricted funds (notes xi and xii)	316	637	(5)	-	948
WCC prior years surplus b/fwd	-	577	(577)	-	-
Total unrestricted funds	316	1,214	(582)	-	948
Total funds	6,927	27,995	(17,476)	1,696	19,142

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)

17 TOTAL FUND ANALYSIS BY ACADEMY

	2024	2023
Fund balances (as restated) at 31 August 2024 were allocated as follows:	£'000	£'000
Oak Wood Primary School	1,060	1,120
Oak Wood Secondary School	442	579
Higham Lane School	1,069	1,640
Central Function	347	81
Total before fixed assets and pension reserve	2,918	3,420
Restricted fixed assets fund	15,404	15,722
Pension reserve	-	-
Total	18,322	19,142

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and Educational Support		Support		Other Costs		2024	2023
	Staff Costs	£'000	Staff Costs	£'000	Educational Supplies	£'000		
			(excluding Deprec'n)	£'000	£'000	£'000		
Oak Wood Primary	2,565	471	185	284	3,505	3,868		
Oak Wood Secondary	2,828	502	153	299	3,782	4,251		
Higham Lane	6,412	1,365	619	948	9,344	8,707		
Central Function	558	4	43	75	680	360		
Total	12,363	2,342	1,000	1,606	17,311	17,186		

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2024 are represented by:

	Pension		General		Fixed Assets		Total
	Unrestricted Funds	Restricted Funds	Restricted Funds	General Restricted Funds	Assets Restricted Funds		
	£'000	£'000	£'000	£'000	£'000		£'000
Tangible fixed	-	-	-	-	16,141	16,141	
Current assets	1,169	-	2,531	(149)	3,551		
Current liabilities	-	-	(782)	(191)	(973)		
Non current liabilities	-	-	-	(397)	(397)		
Pension scheme liability	-	-	-	-	-		
	1,169	-	1,749	15,404	18,322		

Fund balances (as restated) at 31 August 2023 are represented by:

	Pension		General		Fixed Assets		Total
	Unrestricted Funds	Restricted Funds	Restricted Funds	General Restricted Funds	Assets Restricted Funds		
	£'000	£'000	£'000	£'000	£'000		£'000
Tangible fixed	-	-	-	-	16,494	16,494	
Current assets	948	-	3,068	3	4,019		
Current liabilities	-	-	(596)	(187)	(783)		
Non current liabilities	-	-	-	(588)	(588)		
Pension scheme liability	-	-	-	-	-		
	948	-	2,472	15,722	19,142		

19 CAPITAL COMMITMENTS	2024	2023
	£'000	£'000
Contracted for, but not provided in the financial statements	61	239

20 LONG TERM COMMITMENTS INCLUDING OPERATING LEASES*Operating leases*

At 31 August 2024 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2024	2023
	Other	Other
Amounts due within one year	20	9
Amounts due between one and five years	65	10
	<u>85</u>	<u>19</u>

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

	2024	2023
	£'000	£'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(591)	10,519
Adjusted for:		
Depreciation (note 13)	1,081	1,001
Loss on disposal of fixed assets	2	5
Fixed Asset donations transferred from existing academy trust (note 31)	-	(11,143)
LGPS pension deficit transfer from existing academy trust (note 31)	-	644
CIF Loan transferred from existing academy trust (note 31)	-	957
Capital grants from DfE and other capital income	(317)	(447)
Interest receivable	(61)	(80)
Interest payable	-	-
Defined benefit pension scheme cost less contributions payable (note 28)	(188)	125
Defined benefit pension scheme finance cost (note 28)	(41)	67
Increase in debtors	(237)	(93)
Increase in creditors	186	245
Net cash (used in)/provided by operating activities	(166)	1,800

22 CASH FLOWS FROM INVESTING

	2024	2023
	£'000	£'000
Interest received	61	80
Purchase of tangible fixed assets	(730)	(1,038)
Capital grants from DfE/ESFA	317	447
Net cash used in investing activities	(352)	(511)

23 CASH FLOWS FROM FINANCING ACTIVITIES

	2024	2023
	£'000	£'000
Repayments of borrowing	(206)	(205)
Interest paid	19	24
Net cash used in financing activities	(187)	(181)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (cont'd)

24 ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31 Aug 2024 £'000	At 31 Aug 2023 £'000
Cash in hand and at bank	2,822	3,527
Total cash and cash equivalents	2,822	3,527

25 ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sept 2023 £'000	Cash Flows £'000	At 31 Aug 2024 £'000
Cash at bank	3,527	(705)	2,822
Overdraft	-	-	-

Cash at bank	3,527	(705)	2,822
Overdraft	-	-	-
Loans within one year	(187)	(4)	(191)
Loans within more than one year	(588)	191	(397)
Total	2,752	(518)	2,234

26 CONTINGENT LIABILITIES

During the period of the funding agreement between the Central England Academy Trust and the Secretary of State, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Central England Academy Trust is required either to reinvest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Central England Academy Trust serving notice, the Central England Academy Trust is obliged to repay to the Secretary of State sums determined by reference to:

- the value at that time of the Central England Academy Trust's sites and premises and other assets held for the purpose of the Central England Academy Trust; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

As a result of the *Harpur Trust v Brazel* (2011) case, the Supreme Court has ruled that employees who only work for part of the year are entitled to 5.6 weeks of holiday pay like employees that work all year round. This will potentially impact any employer with term time employees, zero hours employees or other working arrangements which involve employees being employed for a full year, but working only for part of that year.

The government hopes to amend legislation to allow holiday entitlement to be pro-rated for part-year and irregular hours workers, so that annual leave is directly proportionate to the time they spend working. Pending any law change being approved by parliament, there remains a potential obligation for the Trust of uncertain timing, value and likelihood.

27 MEMBER LIABILITY

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

28 PENSION AND SIMILAR OBLIGATIONS

Central England 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 Warwickshire County Council Pension Fund. Both are defined multi employer benefit schemes.

28 PENSION AND SIMILAR OBLIGATIONS (cont'd)

As described in note 1 the LGPS obligation relates to the employees of the Central England Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust's at the balance sheet date.

The total pension cost to the Academy during the year ended 31 August 2024 was £2,196,000 (2023: £2,380,000) of which £1,517,000 (2023: £2,033,000) relates to the TPS and £679,000 (2023: £347,000) relates to LGPS.

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 2020 and of the LGPS to the period ended 31 March 2022.

Contributions amounting to £Nil were payable to the schemes at 31 August 2024 (2023: £Nil) and are included within other creditors.

Teachers' Pension Scheme**Introduction**

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's costs paid to TPS in the period amounted to £1,517,000 (2023: £2,033,000).

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 is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in FRS 102 and 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.

28 PENSION AND SIMILAR OBLIGATIONS (cont'd)**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with the assets held in a separate trustee administered funds. The total contributions made for the year ended 31 August 2024 was £1,154,000 (2023: £1,102,000) of which employers contributions totalled £908,000 (2023: £866,000) and employees contributions totalled £246,000 (2023: £866,000).

The agreed contributions for future years are 28.68% (2023: 28.68%) for employers and 5.5% to 12.5% (2023: 5.5% to 12.5%) for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding local government pension 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.

Principal Actuarial Assumptions

The major assumptions used by the actuary were:

	2024	2023
	August	August
	% per	% per
	annum	annum
Discount rate	5.0%	5.2%
Salary increases	3.7%	4.0%
Pension increase	2.7%	3.0%

Sensitivity analysis for the principal assumptions used to measure the scheme liabilities were as follows:

	At 31	At 31
	August	August
	2024	2023
	Approx	Approx
Employers	Change to	Change to
Liability	Employers	Liability
	£'000	£'000
Discount rate reduced by 0.1% per annum	335	196
Salary increase rate increased by 0.1%	12	16
Pension Rate increased by 0.1%	331	184

The mortality assumptions used were as follows:

	At 31	At 31
	August	August
	2024	2023
Longevity at age	years	years
- Men	18.5	20.1
- Women	23.5	22.9
Longevity at age		
- Men	21.3	20.1
- Women	25.2	25.0

28 PENSION AND SIMILAR OBLIGATIONS (cont'd)

Central England Academy Trust's share of the assets in the scheme were:

	Fair value at 31 August 2024 £'000	Fair value at 31 August 2023 £'000
Equity instruments	7,786	7,576
Debt instruments	4,767	3,265
Property	3,178	2,090
Cash and other liquid assets	159	131
Other assets	-	-
Total market value of assets	15,890	13,062
Present value of scheme liabilities:		
- Funded	15,890	13,062
- Unfunded	-	-
Total liabilities	15,890	13,062
Surplus in the scheme	1,471	-

The actual return on the scheme assets in the year was a surplus of £1,234,000 (2023: £124,000 deficit).

Amounts recognised in the Statement of Financial

	2024 £'000	2023 £'000
Current service cost	720	991
Past service cost	-	-
Interest income	(738)	(551)
Interest cost	697	618
Administration expenses	-	-
Total amount recognised in the SoFA	679	1,058
	2024 £'000	2023 £'000
Changes in deficit during the year:		
Balance at 1 September	-	860
Movement in year:		
- Transfer in of existing academy	-	644
- Employer service cost (net of employee contributions)	720	991
- Employer contributions	(908)	(866)
- Expected return on scheme assets	(738)	(551)
- Interest cost	697	618
- Actuarial gains	(531)	(2,407)
- Asset ceiling adjustment	760	711
Deficit in the scheme at 31 August	-	-
Changes in the present value of defined benefit obligations were as follows:		
Balance at 1 September	13,062	9,188
Transfer in of existing academy	-	4,876
Current service cost	720	991
Past service cost	-	-
Interest cost	697	618
Contributions by scheme participants	246	236
Benefits paid	(271)	(240)
Actuarial gains	(35)	(2,607)
Scheme liabilities at 31 August	14,419	13,062

28 PENSION AND SIMILAR OBLIGATIONS (cont'd)

Changes in the fair value of the share of scheme assets:	2024	2023
	£'000	£'000
Balance at 1 September	13,062	8,328
Transfer in of existing academy	-	4,232
Expected return on scheme assets	738	551
Actuarial losses	496	(200)
Contributions by employer	908	866
Benefits paid	(271)	(240)
Contributions by scheme participants	246	236
Administration expenses	-	-
Asset ceiling adjustment	(760)	(711)
Fair value of scheme assets at 31 August	14,419	13,062

The estimated value of employer contributions for the year ended 31 August 2025 is £908,000 (2024: £865,000).

The fair value of the pension plan assets at 31 August 2024 is in excess of the present value of the defined benefit obligations at that date, giving rise to a net surplus of £1,471,000 (2023: £711,000). This surplus is recognised in the financial statements only to the extent that the academy trust can recover this surplus, either through a reduction in future contributions or through a refund to the academy trust.

The academy trust is not able to determine that future contributions will be reduced and it is not possible for the academy trust to receive a refund from the scheme, as the specific conditions for this have not been met. Therefore an asset ceiling is in place such that the surplus of £1,471,000 (2023: £711,000) is not recognised as an asset at 31 August 2024 and the net asset/liability recognised in the financial statements is capped at £Nil.

29 RELATED PARTY TRANSACTIONS

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

In entering into the transactions the trust has complied with the requirements of the Academy Trust Handbook 2023.

30 AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2024 the trust received £19,429 (2023: £21,936) and disbursed £20,550 (2023: £19,558) from the fund. An amount of £1,258 (2023: £2,378) is included in other creditors relating to the undistributed funds that is repayable to the ESFA.

31 TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY TRUST**Higham Lane School**

On 1 September 2022 the assets and liabilities of Higham Lane School were transferred to Central England Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired.

The following table sets out the fair values of the identifiable assets and liabilities transferred in.

	Value reported by transferring trust £'000	Fair value adjustments £'000	Transfer in recognised £'000
Tangible fixed assets			
Leasehold land	891	-	891
Leasehold buildings	9,675	-	9,675
Assets under construction	253	-	253
Computer equipment	111	-	111
Furniture & equipment	213	-	213
Current assets			
Trade debtors	16	-	16
VAT recoverable	36	-	36
Other debtors	3	-	3
Prepayments and accrued income	96	-	96
Cash at bank	1,809	-	1,809
Liabilities			
Creditors: amounts falling due within one year			
Trade creditors	-	-	-
Taxation and social security	-	-	-
Other creditors	(44)	-	(44)
Accruals and deferred income	(203)	-	(203)
CIF loan	(182)	-	(182)
Creditors: amounts falling due after more than one year			
CIF loan	(775)	-	(775)
Pensions			
Pensions - pension scheme assets	4,232	-	4,232
Pensions - pension scheme liabilities	(4,876)	-	(4,876)
Net assets	11,255	-	11,255

32 EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no material adjusting or non adjusting events arising after the balance sheet date.

33 PRIOR YEAR ADJUSTMENT

A material misstatement has been identified for the year ended 31 August 2023, relating to the capitalisation of CIF funded assets under construction at Higham Lane School, resulting in tangible fixed assets being understated by £478,000 and expenditure on educational operations overstated by £478,000.

The prior year comparatives have been restated to reflect the adjustment required to correct the misstatement.