

Company Registration Number: 08822760 (England & Wales)

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

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CIDARI EDUCATION LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Bishop of Blackburn - Rt. Rev. Philip North Diocesan Secretary - Stephen Whittaker (appointed 1 April 2023) Bishop of Lancaster - Rt. Jill Duff Archdeacon of Blackburn - Ven. Mark Ireland Archdeacon of Lancaster - Ven. David Picken Diocesan Board of Finance - David Barlow
Trustees	Peter Ashworth, Chief Executive Rev Simon Christopher Lloyd, Trustee (resigned 14 December 2023) Stephen Whittaker, Trustee (resigned 28 February 2023) Graham Warnock, Trustee Jo Venn, Trustee Michaela Underwood, Trustee John McClelland, Chair of Trustees (appointed as Chair 15 December 2023) Rev. Emma Jane Swarbrick, Trustee (resigned 14 December 2022) Paul Howard, Trustee (appointed as Chair 14 June 2023, resigned 15 December 2023) Cornelius Asghar, Trustee Sally Schofield, Trustee (appointed 19 April 2023) Sophie Murfin, Trustee (appointed 1 September 2023)
Company registered number	08822760
Company name	Cidari Education Limited
Principal and registered office	Clayton House Walker Park Blackburn Lancashire BB1 2QE
Company secretary	Fran Brown
Chief executive officer	Peter Ashworth

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
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Senior management team

Chief Executive Officer, Peter Ashworth
Head of Operations, Matthew McIver
Chief Finance Officer, Wayne Hope
Principal of St George's School, Graham Warnock
Principal of St Luke & St Philip's Primary School, Samantha O'Connell
Principal of Darwen St James CE Primary Academy, Laura Peckson
Principal of St Barnabas' Primary School, Rebecca Ham
Principal of St Aidan's Primary School, Debbie Greenwood
Principal of Great Marsden St John's Primary School, Michaela Underwood
Principal of Newchurch St Mary's Primary School, Pauline Nightingale
Principal of St Silas Primary School, Michele Battersby
Principal of Warton St Pauls, Laura Dean
Principal of Preston St Matthews, Mark Mackley
Principal of Baines Endowed Primary School, Debi Rusling
Principal of Knuzden St Oswalds, Andrea Gray
Principal of Castle View Primary, Claire Bright

Independent auditors

Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
James Watson House
Montgomery Way
Rosehill
Carlisle
Cumbria
CA1 2UU

Bankers

Lloyds Bank plc
Blackburn
BB2 1JQ

Solicitors

Forbes Solicitors LLP
Greenbank Court
Challenge Way
Greenback Business Park
Blackburn
BB1 5QB

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

- **Trustees' Report**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates 13 primary academies for pupils aged 4 to 11 and one secondary academy for pupils aged 11 to 16 in the Diocese of Blackburn, Lancashire. Its academies have a combined pupil capacity of 4,046 and had a roll of 3,790 in the school census 5 October 2023.

Structure, Governance and Management

Constitution

The multi 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 Cidari Education Limited are also the directors of the charitable company for the purposes of company law. That charitable company is known as Cidari Multi Academy Trust.

Details of the trustees who served during the year 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

The Multi Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business and provides cover up to £10,000,000.

Method of Recruitment and Appointment or Election of Trustees

The Members are responsible for the appointment of Trustees to fill any vacancies amongst the seven foundation trustees. This may be reflected in the appointment of officers, or former officers, of the Diocese or other individuals in the community recognised for their strong faith beliefs but not necessarily within the Church of England.

Provision is also made for two members of staff to serve on the board drawn from amongst the Heads within the trust, one from a secondary academy and one from a primary academy. Such appointments would be considered, following an election process, from amongst their peers, should one be required following the nomination process.

Finally there is provision for the appointment of two members of the Local Governing Committees serving the academies of the trust. Again such appointments would be considered, following an election process, from amongst their peers, should one be required

Policies and Procedures Adopted for the Induction and Training of Trustees

Training and Induction for Trustees is based on their individual requirements and their level of experience.

The staff and those appointed via the Local Governing Committee will have undergone regular training at network training events run by the Trust.

Foundation Trustees are taken through all necessary processes via the various officers of the Trust.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Organisation Structure

The Scheme of Delegation developed by the Trust in line with the article of association clearly defines the level of delegation and areas of responsibility. This indicates the delegations to Headteachers, Local Governing Bodies, management of the trust and those responsibilities reserved for Directors and Members.

The Chief Executive Officer is the accounting officer of the Trust.

The Board of Directors, having commenced the year meeting on a termly basis have now drawn up a structure which includes the following Committees:

- Audit and Ethics (incorporating the function of the Our People Committee)
- Quality and Standards.

Each Committee has produced and agreed clear Terms of Reference to define their activities.

The Directors are responsible specifically for upholding the Christian Faith, setting general policy, adopting an annual plan and budget, monitoring the academies through the use of their budgets, capital expenditure and senior staff appointments. They also monitor the academic performance of all academies.

The Directors manage the academies at an executive level, whilst the Senior Leadership Teams in each academy implement the policies laid down for them by the Directors. They are also responsible, in line with the Scheme of Delegation, for the authorisation of spending within agreed budgets and Financial Regulations and the appointment of the majority of staff.

Arrangements for setting pay and remuneration of key management personnel

The Cidari Education Trust follows the Pay and Review Policy which is endorsed annually by the Members with regards to setting of Key Management Personnel pay. Headteacher appraisal / performance management is completed by the Head of Education and the Local Governing Committee. The parallel process for Deputy Head and Assistant Headteachers is completed by the Headteacher and the Local Governing Committee. CEO appraisal is completed by the Chair and Vice Chair of the Trust Board and Central Team staff are appraised by the CEO.

Headteachers: After the appraisal / performance management cycle is completed, the recommended (and where appropriate) increase in band is generated by the CEO. This is submitted with evidence of the targets met with evidence from the CEO. Recommendations are reported back to the Trust Board.

Deputy Head and Assistant Headteachers: After the appraisal / performance management cycle is completed, the recommended (and where appropriate) increase in band is sent to the CEO. This is submitted with evidence of the targets met by the CEO. Recommendations are reported back to the Trust Board.

Central Team: After the appraisal cycle is completed, the recommended (and where appropriate) increase in band is reported back to the Trust Board.

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Trade Union Facility Time

Relevant union officials:

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
4	4

Percentage of time spent on facility time

Percentage of time spent on facility time	Number of employees
0%	4
1% - 50%	
51%-99%	
100%	

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£17,861
Provide the total pay bill	£18,322,158
Provide the percentage of total bill spent on facility time, calculated as: (total cost of facility time + total pay bill) x 100	0.10%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0%
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Related Parties and other Connected Charities and Organisation

The Diocese of Blackburn is the main related party to the Trust through the Diocesan Board of Education and the Diocesan Board of Finance.

The members of the Trust are the people as identified on page 1. Their involvement in the day to day activities of the trust are confined to those activities and delegations outlined in the Scheme of Delegation and those contained within the Article of Association.

They are also responsible for holding the Annual General Meeting of the Company, last held on 24 March 2023.

During the year ended 31 August 2023 two academies joined the trust, Castle View on 1 September 2022 and Kruzden St Oswald on 1 April 2023.

Engagement with employees (including disabled persons)

Employees have been consulted on issues of concern to them by means of consultative committee and Board meetings. Staff at regular meetings have been kept informed on specific matters directly by management. The Trust carries out exit interviews for staff leaving the organisation and has adopted a procedure of upward feedback for senior management and Trustees. Throughout 2022-2023 the Trust has held bi-weekly meetings with Headteachers to update on Covid-19 mitigation and management and to ensure that the well-being of all staff was central to all discussions. The CEO has sent a weekly email out to all staff to update any developments and to maintain a positive culture throughout challenging times.

The Trust has implemented a number of detailed policies and systems in relation to all aspects of personal matters including:

- Post Covid-19 risk assessments, mitigations and protocols
- Cidari employee portal
- Cidari employee surveys
- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

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

Full details of these policies are available from the Trust offices.

In addition, the Trust carried out a comprehensive an anonymous tracking of Covid-19 Lateral Flow testing and Covid-19 vaccination take up so as to promote the positive benefits and communicate back to staff.

Engagement with suppliers, customers and others in a business relationship with the Trust.

As a key enabler to meeting it's objectives of the Trust seeks to engage actively and positively with all stakeholders in the local community and in the wider educational landscape. Collaborative relationships with suppliers, parents, educational partners and community leaders are seen as key enablers to achieving success in all of the Trust's operations.

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During the year the Trust has further promoted this engagement through specific initiatives including:

- Regular communication and engagement with parents and prospective parents of pupils attending the Trust schools to enhance the understanding of the provision to each student and to fully coordinate support to students from parents and the academy.
- Engagement with other educational Trust's and partners at local and national levels to share best practice and to provide peer support across Trust's and individual academies.
- Active dialogues with local councils on matters which impact children and families in the community as well as relate to operation of each academy.
- Engaging with local businesses to promote career and educational opportunities for academy students for their mutual benefit.
- Seeking all possible opportunities to engage with local suppliers in each academy area.
- Seeking regular communication with all suppliers and ensuring good commercial practices of prompt payment and clear communication to optimise arrangements for supply of goods and services to each school.
- Promoting and encouraging student opportunities to engage in local voluntary and other projects to support the community.
- Developing new parental and community engagement channels through mobile app technologies and new social media channels.
- Implementing a supplier expression of interest form on the Trust Website for any businesses who wish to work with the Trust to register and upload details of their services, testimonials and supporting evidence for their company.

Objectives and Activities

Objects and Aims

The principal activities of the Trust are set out in its articles of association and mission statement namely:

- 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 Academies which shall offer a broad and balanced curriculum and which shall include:
 - i. Academies other than those designated Church of England, whether with or without a designated religious character,
 - ii. Church of England Academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard to any advice and following any directives issued by the Blackburn Diocesan Board of Education,

But in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England, and;

- b) Providing recreational and leisure time facilities in the interests of social welfare for the inhabitants of the United Kingdom especially those who have need of such facilities by reason of their youth, age, infirmity, disablement or poverty of social and/or economic circumstances.

The Benefits of joining the Cidari Multi Academy Trust

Under the vision statement of "Distinctive Academies, Empowered to work together for excellence through shared Christian values", the board of trustees established the core aims of being a member of Cidari Multi Academy Trust as follows:

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Distinctiveness

To recognise, encourage and promote the distinctiveness of our Academies, and empower them to thrive within the communities they serve.

Achievement

To create a culture that fosters academic achievement, nurtures initiative and rewards success.

Christian Ethos

To prepare our pupils for world citizenship both explicitly and implicitly through core Christian values such as responsibility, acceptance, truth and justice, and for these to be reflected in all aspects of the curriculum offered.

Governance and Accountability

To provide strong and robust Governance and systems to ensure compliance and reassurance around areas of risk.

Our People

To become an employer of choice where all colleagues are supported and encouraged to achieve our mutual ambitions in an environment of equality, accountability and reward.

Aspirational

To achieve excellence in all we do by working collaboratively to deliver world class systems and measures to achieve the aspirations of our pupils, colleagues and leaders.

Safeguarding & Wellbeing

To ensure that our Academies are a safe environment for all who use them with the wellbeing of our pupils and colleagues at the forefront of all we strive to achieve.

Facilities & Resources

To invest in world class facilities by creating key partnerships with industry leaders to deliver end user benefits in buildings, ICT and resources.

Objectives, Strategies and Activities of the Trust

To meet these priorities, the trust has appointed (or seconded) an operational team who have adopted a number of strategies and activities that include:

- Regular Network meetings for Headteachers, Business Managers and Governors;
- Offer central support for recruitment, payroll and financial assistance;
- Encourage sharing of best practice amongst academies;
- Offer support and advice to the Local Governing Bodies and where necessary sourcing additional governors.

This included support from a National Leader of Governance;

- Work in partnership with the Blackburn Diocesan Board of Education to develop the Christian distinctiveness of each academy so they can provide an inspirational and holistic education which enables all children and staff to develop and achieve their full potential.

Public Benefit

Trustees have given consideration to the Charity Commissions general guidance on public benefit and in particular to its supplementary guidance on education. As noted above, the Multi Academy Trust's objectives is to advance, for the public benefit, education in the United Kingdom.

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Strategic Report

Achievements and Performance

The Cidari Multi Academy Trust achievements in 2022-23 include:

- The on-going close working relationship between all academies and the Central Team to share knowledge and expertise, to seek out best practice and to realise the vision for the trust.
- The creation of the Trust vision - Faith, Family, Excellence
- Headteachers working across academies to share expertise
- Strong GCSE outcomes at St George's
- A close working relationship with the Regional Director and the DfE
- Deployment of a model membership format for Local Governing Committees
- Deployment of an effective, centralised recruitment process.
- The on boarding of a 12th and 13th academy during the 2022-23 academic and financial year
- Strong record of Ofsted Inspection Outcomes with 9 of the 13 Cidari academies judged to be 'Good'
- Continuation of Covid 19 protocols, procedures and mitigations into wider schooling
- 2 additional Trustees joining the Trust Board.

The performance of Academies in Cidari Multi Academy Trust is shown in the tables below:

Current Ofsted Grading

0 Academies are graded as Outstanding	0%	2023 Prediction	0%
9 Academies are graded as Good	70%	2023 Prediction	77%
0 Academies are graded as Requires Improvement	0%	2023 Prediction	0
1 Academies is still graded as Inadequate*	7%	2023 Prediction	0%
3 Academies are yet to receive their 1 st inspection	23%	2023 Prediction	23%

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All performance data below is based on end of year outcomes and academy self-assessment and evaluation. The DfE will be reporting this 2023 data set nationally.

Early Years Foundation Stage (EYFS)

	BE	DSJ	St B	St A	SLS P	St S	GMS J	StMN	WSP	St M	CV	KSO	Trust
GLD 2023	71%	69%	80%	48%	50%	65%	67%	88%	73%	38%	52%	63%	63%

2023 Key Stage 1 Assessments

	BE	DSJ	St B	St A	SLSP	St S	GMSJ	StMN	WSP	St M	CV	KSO	Nat
Reading	68%	51%	80%	47%	57%	41%	66%	90%	58%	90%	51%	54%	N/A
Writing	67%	57%	70%	49%	58%	43%	38%	80%	67%	35%	48%	43%	N/A
Maths	68%	69%	84%	43%	63%	53%	80%	90%	75%	36%	40%	60%	N/A

2023 Key Stage 2 Statutory Assessments

	BE	DSJ	St B	St A	SLSP	St S	GMSJ	StMN	WSP	St M	CV	KSO	Nat
Reading	66%	43%	90%	65%	48%	63%	60%	87%	56%	50%	79%	53%	73%
Writing (TA)	73%	41%	79%	31%	63%	61%	57%	87%	67%	52%	74%	48%	71%
Maths	69%	41%	79%	46%	45%	53%	63%	63%	75%	50%	79%	45%	73%

The DfE will start reporting GCSE performance at Secondary level from Jan 2024.

St George's KS4 GCSE Outcomes

	2023 Outcomes
Progress 8 Score	+0.33
Progress 8 Score Disadvantaged	-0.18
GCSE 5 + (English & Maths)	61%
GCSE 4 + (English & Maths)	76%

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Trust Attendance Data

2022-23

Primary	BE	DS J	St B	St A	SLSP	St S	GMS J	StMN	WSP	St M	CV	KSO	T-A
2022-2023	94.5 %	92 %	95.2 %	94.3 %	94%	93.7 %	94%	96%	96%	91%	91%	93%	93.7

Attendance Secondary	StG	Nat	Trust Av
2022-23	94.5%	N/A	94.5%

Going Concern

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

Financial Review

The principal source of funding for the trust is the General Annual Grant (GAG), together with Pupil Premium. Expenditure has supported the key financial objectives of the trust which are to enable all students to access an outstanding education whilst ensuring the trust employs and retains outstanding leaders and practitioners and at the same time using financial resources prudently and responsibly.

Funding from the Academy Trust's Educational Operations amounted to £24,537,273 (2022: £20,504,957). Transfers on conversion were - £1,601,258 (surplus) (2022: ££853,722 (deficit) and total income was £28,700,731 (2022: £20,472,608). Costs in respect of the Academy Trust's educational activity amounted to £25,996,158 (2022: £21,913,026) and total costs, before gains/losses on the LGPS pension scheme of £2,658,000 (gain) (2022 £10,863,000 (gain), were £26,008,335 (2022: £22,036,589).

Balances carried forward to 23/24 on the various funds are as follows:

• Unrestricted funds	£1,741,285
• Restricted Income funds	£492,615
• LGPS	£0
• Restricted fixed asset funds	£17,789,130
• Total	£20,023,030

Cash at bank and on hand at 31st August 2023 amounted to £5,016,975 (2022: £3,343,283). A substantial portion of the movement in funds relates to capital grants received but not utilised yet.

Reserves Policy

The trustees review the reserve levels of each academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. It is expected as a Trust to retain £500,000 of global income in reserves. Where this is not already the case, academies are expected to develop a long-term financial plan to achieve this target. The level of reserves will be reviewed and adjusted, if necessary, as new academies join the multi academy trust. Reserves are held to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The trust had 2,233,900 in general funds at 31 August 2023.

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FOR THE YEAR ENDED 31 AUGUST 2023

Investment policy

All investments are made in accordance with the policy of the Trust. The Trust's policy on investments is one of minimum risk, with all investments being held with the Trust's bankers. The Trust will nevertheless seek to maximise interest receipts within this arrangement. Investments are made with regard to Charity Commission guidance in relation to investments. A formal Investment Policy was agreed at the Finance and Audit Committee on 8 March 2022.

Principal Risks and Uncertainties

The Board has considered the risks faced by the Trust throughout its normal operational business. It has addressed these risks by establishing appropriate governance and management arrangements, including the appointment of senior staff and other managers, and establishing robust operational policies. The Board considers that these arrangements have been effective throughout the period being reported.

The Board has a formal risk management policy which documents the managerial action that is taking place, and ensures that future risk management is systematic.

At the time of reporting the key risks are:

- The risk of achievements in core subjects being below expectations;
- Complying with legislative requirements regarding employment law, data protection, discrimination, Companies House and HMRC, child protection, safeguarding and the Prevent duty, the Charity Commission and the national curriculum;
- Financial Risk – not operating within budget, both centrally and in each individual academy, and running a deficit, changes in funding, falling pupil numbers, inappropriate or insufficient financial controls and systems, fraudulent activity and/or financial commitments made without adequate authorisation;
- Operational risks resulting from inexperienced or inappropriate staff being employed and inaccurate, out of date or inappropriate information;
- Conditions of buildings acting as a barrier to achievement or being a health and safety risk.

Mitigating action, both current and planned, has been identified to address these risks. This is also true of all other risks that have been formally identified which have a lower level of impact and/or likelihood.

Risk Management

The major risk to which the Multi Academy Trust is exposed has been identified as deficit reserves at four of the academies. Management action has been taken to address this risk and a planned programme to achieve a balanced budget as quickly as possible has been developed.

The central support team budget was also in deficit and again action was taken to mitigate the situation to ensure a balanced budget in the future.

The Board of Trustees has been kept fully informed of these issues and took the necessary decisions to ensure the above actions were implemented.

Fundraising

Cidari does not actively fundraise on behalf of the Trust.

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Streamlined Energy & Carbon Reporting

UK Greenhouse Gas Emissions and energy use data for the period	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
Energy consumption used to calculate emissions (kWh)	3,241,052	3,568,709
Energy consumption break down (kWh) (optional)		
<i>Gas/Oil/Biomass</i>	2,145,027	2,541,277
<i>electricity</i>	1,075,394	1,024,074
 <i>Business travel in employee owned vehicles</i>	 20,631	 3,358
Scope 1 emissions in metric tonnes CO₂e		
<i>Gas</i>	377.59	445.88
Total Scope 1		
Scope 2 emissions in metric tonnes CO₂e		
<i>Purchased Electricity</i>	222.69	198.04
Scope 3 emissions in metric tonnes CO₂e		
<i>Business travel in employee owned vehicles</i>	4.64	0.77
Total gross emissions in metric tonnes CO₂e per pupil	0.16	0.18

A. Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government’s Conversion Factors for Company Reporting.

B. Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

C. Measures taken to improve energy efficiency

We are committed to year-on-year improvements in our operational energy efficiency. As such, a register of energy efficiency measures available to us has been compiled, with a view to implementing these measures in the next four years.

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Measures ongoing and undertaken through 2022/23:

Ongoing compliance with Energy Reporting legislation

During the year we have continued to install energy efficient LED lighting as older fluorescent units required replacing. There has been a major roof replacement at one of our schools improving the thermal properties of the building and reducing heating costs. Increased reliability of a biomass boiler has reduced the need for failover gas use.

Sustainability awareness training

During the current reporting period we have continued to raise awareness of energy reduction measures through health check meetings and considerations in all capital approvals.

Work has been conducted with site teams, to reduce excessive accommodation costs, through lighting and heating, during low occupancy times. Similarly, the Trust caterers have adapted their opening and closing processes, to reduce energy use.

During 23-24 schools in the Trust will appoint a nominated sustainability lead who will receive carbon literacy training. These leads will work both in their schools, and as a collective to reduce energy use and identify opportunities to accelerate the Trust on its carbon reduction journey.

Energy and Environment Strategy

Cidari Education Limited are working towards implementing an Energy and Environment Strategy that ensures ongoing energy and carbon reductions, over the coming years in line with the UK's 2050 net-zero targets. The CIF capital process has limited meaningful impact in decarbonisation (and capacity related energy use). Now that the Trust is in receipt of School Condition Allocation funding, a more strategic approach can be taken towards decarbonisation and net zero. Decarbonisation is now a key weighted factor in the approval of any capital schemes granted through this funding. All Academies in the Trust now have a Decarbonisation plan in place. Currently this is unfunded, but sits alongside the Academy condition surveys, within the strategic estates planning process.

The Trust is exploring the opportunity to offer employees access to an electric vehicle salary sacrifice scheme. This would be complemented with installation and access to EV charges across the estate.

Plans for Future Periods

It is intended that the Board of Trustees will revisit its strategic direction during the financial year 2023/24 to ensure that a managed growth of the trust ensures that any such future risks, as identified above, are mitigated.

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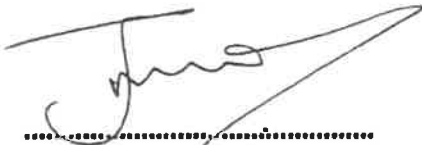
TRUSTEES' REPORT (CONTINUED)
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Auditor

Insofar as trustees are aware:

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

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



.....
John McClelland
Chair of Trustees

18-12-23

CIDARI EDUCATION LIMITED
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Cidari Education Limited 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 Cidari Education Limited 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.

Conflicts of interest

The trust maintains up to date and complete register of interests and is used to check against new suppliers to identify any potential new conflicts of interests. Trustees declare conflicts of interest at all meetings to ensure they can be managed as needed.

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance

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

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

Trustee	Meetings attended	Out of a possible
Peter Ashworth, Chief Executive	6	6
Simon Lloyd, Trustee	6	6
Stephen Whittaker, Trustee	2	3
Graham Warnock, Trustee	2	6
Jo Venn, Trustee	6	6
Michaela Underwood, Trustee	3	6
Rev. Emma Jane Swarbrick, Trustee	1	1
John McClelland, Chair of Trustees	6	6
Cornelius Asghar, Trustee	3	6
Paul Howard, Trustee	5	6
Sally Schofield, Trustee	1	3
Sophie Murfin, Trustee	0	0

The Board of Trustees reviewed its strategy direction and also that its governance arrangements were fit for purpose at the conclusion of one of its meeting during 2023.

Plans are in place to undertake a review of the governance arrangements early in the 2023/2024 cycle of meetings.

The Cidari Trust Board now comprises 10 Directors (of which one is the Chair of the Trust Board) and meets a minimum of five times each year.

Chair of the Board: Simon Lloyd (resigned as Chair 13.06.23)
Board Member: Paul Howard (elected as Chair WEF 14.06.23)
Board Member: Graham Warnock
Board Member: Michaela Underwood
Board Member: Stephen Whittaker (Resigned 28.02.23)
Board Member: Peter Ashworth
Board Member: Jo Venn
Board Member: Sally Schofield (appointed 19.04.23)
Board Member: Emma Swarbrick (resigned 14.12.23)
Board Member: John McClelland
Board Member: Cornelius Asghar
Board Member: Sophie Murfin (appointed 01.09.23)

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Reporting into the Trust Board are 2 sub-committees, the membership of which is derived from the Trust Board

- | | |
|-----------------------------------|-------------------------|
| 1. Audit & Ethics Committee: | Chair – John McClelland |
| 2. Quality & Standards Committee: | Chair – Sophie Murfin |

The Committee structure and membership was effective from 1 June 2015 as detailed below. The Board assumed detailed responsibility for all areas of governance prior to the 1 June 2015.

Ethics & Audit Committee

The Ethics & Audit Committee has clear terms of reference outlining its constitution and responsibilities which can be summarised as:

- Subject to the responsibilities of the Board and the Scheme of Delegation to advise the Trust on all aspects of the Company's finances, financial policies, controls and strategy, strategic planning (relating to finance) and capital development.
- Ensure that the internal control systems of the Trust, including audit activities and risk management and any of its subsidiaries are monitored actively, independently and objectively in order to:-
 - consider the adequacy and effectiveness of the Trust's internal control systems and the extent to which they can be relied upon;
 - reinforce the independence and effectiveness of the internal audit function;
 - provide a sounding board for management on issues of concern in connection with the internal control systems and risk management;
 - advise on the reliability of the Trust's information and risk management systems; and
 - underpin the objectivity and independence of the external auditors.
- To provide a medium of communication from the Trust's auditors which is not controlled by management.

Attendance at meetings in the period 1 September 2022 to 31 August 2023 was as follows:

Trustee	Meetings attended	Out of a possible
John McClelland (A&E Chair)	6	6
Stephen Whittaker	3	3
Peter Ashworth	6	6
Paul Howard	6	6
Simon Lloyd	4	6

Quality and Standards Committee

The Quality and Standards Committee has clear terms of reference outlining its constitution and responsibilities which can be summarised as:

'To monitor and review the quality and performance of education in all the Trust's academies.'

Attendance at meetings in the period 1 September 2022 to 31 August 2023 was as follows:

Trustee	Meetings attended	Out of a possible
Peter Ashworth	1	1
Jo Venn	1	1
Graham Warnock	0	1
Michaela Underwood	1	1
Cornelius Asghar	0	1

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Review of value for money

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

- The performance of academies in the Trust are set out on pages 10 and 11.
- The centralisation of payroll has allowed the Trust to monitor staff costs and remove duplication from the payroll processing cycle. All academies in the Trust are paid by a single payroll provider and fortnightly and mid-month payrolls have been transferred to a single monthly payroll. This has improved efficiency, control and value for money across the Trust.
- Monthly financial reporting and budget monitoring is carried out by the Trust's central team with the support of Business Managers in each Academy. This standardised approach to financial reporting has allowed greater comparability across schools which lays a foundation for delivering savings through centralised procurement of goods and services in the year ahead.

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 Cidari Education Limited for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has decided to buy-in an internal audit service from TIAA

The current arrangements include a robust due diligence process during academy conversions, monthly School Business Manager network meetings, central review of financial processes with monthly meetings with central team members.


Review of effectiveness

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

- the work of the external auditor;
- the financial management processes and the school resource management self-assessment tool
- the work of the executive managers within the Multi Academy Trust who have responsibility for the development and maintenance of the internal control framework; and
- the work of the School Liaison and Finance Consultant
- the visit of the ESFA School Resource Management Advisor in May and June 2022

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

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


.....
John McClelland
Chair of Trustees
Date: 18-12-23


.....
Peter Ashworth
Accounting Officer

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Cidari Education Limited I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2022.

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

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



.....
Peter Ashworth
Accounting Officer

Date: **18-12-23**

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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

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

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

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

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

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

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



.....
John McClelland
Chair of Trustees

Date: **18/12/23**

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CIDARI
EDUCATION LIMITED**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CIDARI EDUCATION LIMITED (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

Responsibilities of trustees

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

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

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CIDARI EDUCATION LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations, such as the Health & Safety at Work Act 1974, Ofsted Regulations and Companies Act 2006;
- we identified the laws and regulations applicable to the Multi Academy Trust through discussions with Trustees and other management;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Multi Academy Trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.
- considering our work in respect of regularity to identify irregular spend or lack of ESFA approval for novel or contentious transactions.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships; and
- tested journal entries to identify unusual transactions; and
- tested the operating effectiveness of key controls over purchase cycles on a sample basis; and
- reviewed the application of accounting policies including the application of capitalisation of intangible assets.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

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

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CIDARI
EDUCATION LIMITED (CONTINUED)**

Use of our report

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


Joanna Gray (18 Dec 2023 17:09 GMT)

Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
Carlisle

Date: 18/12/2023

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CIDARI
EDUCATION LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 6 November 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cidari Education Limited during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Cidari Education Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Cidari Education Limited's funding agreement with the Secretary of State for Education dated 29 September 2014 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CIDARI
EDUCATION LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

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


Joanna Gray (18/12/2023 17:09 GMT)

Joanna Gray FCA
Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors

Date: 18/12/2023

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	2,635	216,000	3,082,940	3,301,575	(508,461)
Other trading activities		802,492	-	-	802,492	465,642
Investments	6	59,391	-	-	59,391	10,470
Charitable activities		-	24,537,273	-	24,537,273	20,504,957
Total income		864,518	24,753,273	3,082,940	28,700,731	20,472,608
Expenditure on:						
Raising funds		118,036	-	-	118,036	123,563
Charitable activities		480,917	24,424,449	984,933	25,890,299	21,913,026
Total expenditure		598,953	24,424,449	984,933	26,008,335	22,036,589
Net income/(expenditure)		265,565	328,824	2,098,007	2,692,396	(1,563,981)
Transfers between funds	21	-	(79,007)	79,007	-	-
Net movement in funds before other recognised gains		265,565	249,817	2,177,014	2,692,396	(1,563,981)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	30	-	2,658,000	-	2,658,000	10,863,000
Net movement in funds		265,565	2,907,817	2,177,014	5,350,396	9,299,019

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Reconciliation of funds:					
Total funds brought forward	1,369,861	(2,309,343)	15,612,116	14,672,634	5,373,615
Net movement in funds	265,565	2,907,817	2,177,014	5,350,396	9,299,019
Total funds carried forward	<u>1,635,426</u>	<u>598,474</u>	<u>17,789,130</u>	<u>20,023,030</u>	<u>14,672,634</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 34 to 71 form part of these financial statements.

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08822760

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	16,422,141	15,488,287
		<u>16,422,141</u>	<u>15,488,287</u>
Current assets			
Stocks	15	94,335	47,890
Debtors	16	1,532,482	1,306,202
Cash at bank and in hand		5,016,975	3,343,283
		<u>6,643,792</u>	<u>4,697,375</u>
Creditors: amounts falling due within one year	17	(2,826,358)	(2,413,995)
Net current assets		<u>3,817,434</u>	<u>2,283,380</u>
Total assets less current liabilities		<u>20,239,575</u>	<u>17,771,667</u>
Creditors: amounts falling due after more than one year	18	(192,056)	(241,033)
Provisions for liabilities		(24,489)	-
Net assets excluding pension asset / liability		<u>20,023,030</u>	<u>17,530,634</u>
Defined benefit pension scheme asset / liability	30	-	(2,858,000)
Total net assets		<u><u>20,023,030</u></u>	<u><u>14,672,634</u></u>

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08822760

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Funds of the academy			
Restricted funds:			
Fixed asset funds	21	17,789,130	15,612,116
Restricted income funds	21	492,615	548,657
Restricted funds excluding pension asset	21	18,281,745	16,160,773
Pension reserve	21	-	(2,858,000)
Total restricted funds	21	18,281,745	13,302,773
Unrestricted income funds	21	1,741,285	1,369,861
Total funds		20,023,030	14,672,634

The financial statements on pages 29 to 71 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....
Peter Ashworth
 Accounting Officer

Date: 18/12/23



.....
John McClelland
 Chair of Trustees

The notes on pages 34 to 71 form part of these financial statements.

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	23	125,906	831,840
Cash flows from investing activities			
Cash flows from investing activities	25	1,547,786	(234,323)
Cash flows from financing activities			
Cash flows from financing activities	24	-	18,080
Change in cash and cash equivalents in the year		1,673,692	615,597
Cash and cash equivalents at the beginning of the year		3,343,283	2,727,686
Cash and cash equivalents at the end of the year	26, 27	<u><u>5,016,975</u></u>	<u><u>3,343,283</u></u>

The notes on pages 34 to 71 form part of these financial statements

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Cidari Education Limited meets the definition of a public benefit entity under FRS 102.

The presentational currency is in pounds sterling.

1.2 Going concern

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

CIDARI EDUCATION LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Sponsorship Income**

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

• **Donations**

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

• **Other Income**

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

• **Transfer on conversion**

Where assets and liabilities are received by the academy on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the academy. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

• **Donated fixed assets (excluding transfers on conversion or into the academy)**

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 Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's accounting policies.

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

Assets costing £1000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Long-term leasehold property	- 50 years
Furniture and equipment	- 3-15 years
Computer equipment	- 2-5 years

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.

Recognition and valuation of land and buildings

The trust has been granted use of properties either by supplemental agreement or 125 year leases.

Where the premises are subject to 125 year lease these premises are recognised as leasehold property representing the fair value of the asset (being the right to use the property).

Those properties subject to a supplemental agreement are not recognised in the accounts because the trust does not have sufficient control of the works or access to premises. These arrangements are considered mere licenses to occupy for a minimum of two years as stated in the ESFA Academy Accounts Direction section 8.7.5. The license may be revoked for any reason by the Diocese giving a minimum of two years notice to the trust. There are nine school properties occupied in this manner - St Aidan's, St Barnabas (School buildings), Newchurch Mary's, Baines Endowed, St John's Great Marsden (school buildings), St Silas (school buildings), Preston St Matthew, Warton St Pauls and Knuzden St Oswalds.

1.7 Stocks

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.11 Provisions

Provisions are recognised when the academy 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.

1.12 Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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.

1.13 Operating leases

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

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.14 Pensions

The academy operates a defined contribution pension scheme and the pension charge represents the amounts payable by the academy to the fund in respect of the year.

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

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

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

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

1.15 Fund accounting

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

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

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

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

1.16 Redundancy payments

Redundancy payments that were made to employees were calculated at the minimum statutory requirement. Redundancy payments are recognised at the point of communication with the employees.

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

Pension Liabilities

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment

When the estimated value of the scheme is in surplus the Trustee's assess the recoverability of the asset with regard to the future deficit contributions required and the Academies right to any surplus left in the scheme upon wind up. Where the surplus is not deemed recoverable or the Trustee's feel the position is too uncertain, the defined benefit pension scheme asset is not recognised.

Fixed Asset Valuation

Assets records detailing clear values at the point of transfer from predecessor schools were not available for all fixed assets to enable accurate opening values. In order to estimate a transfer value the trust has identified the assets transferred, obtained cost estimates and applied an adjustment to represent consumption at the assets' useful economic lives at transfer. This is considered to provide a reasonable estimate of the value of the assets for initial recognition proposed but should be regarded as a significant estimate in relation to the accounts.

Fixed Asset Existence

The Trustees have concluded that the lease arrangements for the Academy Trust use of land and buildings owned by the Diocese do not transfer substantially all the risks and rewards of ownership to the Academy Trust.

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	2,635	-	-	2,635	55,121
Capital Grants	-	-	1,697,682	1,697,682	290,140
Transfer from local authority on conversion	-	216,000	1,385,258	1,601,258	(853,722)
	<u>2,635</u>	<u>216,000</u>	<u>3,082,940</u>	<u>3,301,575</u>	<u>(508,461)</u>
<i>Total 2022</i>	<u>19,601</u>	<u>(921,000)</u>	<u>392,938</u>	<u>(508,461)</u>	

4. Funding for the academy's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations			
DfE/ESFA grants			
Other DfE/ESFA grants			
GAG income	19,840,693	19,840,693	16,393,760
Pupil Premium	1,773,415	1,773,415	1,437,256
Special Educational Needs grants	1,051,936	1,051,936	761,278
Teachers Pension grants	11,161	11,161	14,328
Universal infant free school meals	269,365	269,365	214,004
Other DfE/ESFA grants	950,269	950,269	930,267
Local authority grants	657,282	657,282	582,886
Transfer on conversion	(16,848)	(16,848)	171,178
Total Educational operations	<u>24,537,273</u>	<u>24,537,273</u>	<u>20,504,957</u>
<i>Total 2022</i>	<u>20,504,957</u>	<u>20,504,957</u>	

CIDARI EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Charity trading income and other income	802,492	802,492	465,642
<i>Total 2022</i>	<u>465,642</u>	<u>465,642</u>	

Charity trading income and other income includes nursery fees, as well as income from trips, letting's, catering, music services, uniforms, supplier teacher insurance, rates relief and other sundry income.

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Short term deposits	59,391	59,391	10,470
<i>Total 2022</i>	<u>10,470</u>	<u>10,470</u>	

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Expenditure on raising voluntary income:					
Direct costs	-	-	118,036	118,036	123,563
Educational operations:					
Direct costs	16,162,500	-	2,747,625	18,910,125	15,735,791
Allocated support costs	3,409,463	2,077,533	1,493,178	6,980,174	6,177,235
	<u>19,571,963</u>	<u>2,077,533</u>	<u>4,358,839</u>	<u>26,008,335</u>	<u>22,036,589</u>
<i>Total 2022</i>	<u>15,962,112</u>	<u>1,587,773</u>	<u>4,506,704</u>	<u>22,036,589</u>	

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations	18,910,125	6,980,174	25,890,299	21,913,026
<i>Total 2022</i>	<u>15,735,791</u>	<u>6,177,235</u>	<u>21,913,026</u>	

Analysis of support costs

	Educational operations 2023 £	Total funds 2023 £	Total funds 2022 £
Pension finance costs	-	-	206,000
Staff costs	3,409,463	3,409,463	2,432,990
Finance costs	62,728	62,728	90,846
Premises costs	1,712,345	1,712,345	1,567,773
Technology costs	316,330	316,330	314,909
Other support costs	1,341,152	1,341,152	1,479,881
Governance costs	67,796	67,796	60,163
Legal costs	70,360	70,360	24,673
	<u>6,980,174</u>	<u>6,980,174</u>	<u>6,177,235</u>
<i>Total 2022</i>	<u>6,177,235</u>	<u>6,177,235</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023	2022
	£	£
Operating lease rentals	53,618	119,116
Depreciation of tangible fixed assets	619,744	551,934
Fees paid to auditors for:		
- audit	24,425	22,850
- other services	4,600	6,270
	538,367	716,170

The Multi Academy Trust operates in several sites whereby there are supplemental lease agreements in place for the use of certain land and buildings. The Trustees acknowledge that the fair value of lease payments should be recognised in respect of these, however they cannot reasonably determine this value at present and it is not deemed to be material. Going forward, they will continue to look at ways in which they can assess this value so that it can be included in the financial statements.

CIDARI EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	13,904,257	11,071,761
Social security costs	1,374,205	1,149,960
Pension costs	3,043,696	3,318,364
	18,322,158	15,540,085
	18,322,158	15,540,085
	2023	2022
	£	£
Agency staff costs	1,249,804	786,971
Severance payments	-	19,160
Other restructuring costs	-	10,554
	1,249,804	816,685
	1,249,804	816,685

b. Severance payments

The academy paid - severance payments in the year (2022 - 6), disclosed in the following bands:

	2023	2022
	No.	No.
£0 - £25,000	-	6
	-	6
	-	6

c. Staff numbers

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

	2023	2022
	No.	No.
Teachers	171	156
Administration and support	326	249
Management	32	27
	529	432
	529	432

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Staff (continued)

d. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	5	9
In the band £70,001 - £80,000	8	4
In the band £80,001 - £90,000	4	1
In the band £100,001 - £110,000	1	1
In the band £110,001 - £120,000	1	1
	<u>1</u>	<u>1</u>

Of the employees above, 12 (2022 - 12) participated in the Teachers' Pension Scheme and during the period pension contributions for these members of staff amounted to £201,706 (2021 - £166,055).

e. Key management personnel

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £1,182,725 (2022 - £1,325,216).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Central services

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

- Human resources
- Financial services
- Legal services
- Education support services
- IT costs
- Others as arising
- Catering

The academy charges for these services on the following basis:

The Trust charges for these services on a percentage basis dependent on the Ofsted rating for most services. It uses meal numbers for Catering. These amounts have been eliminated on consolidation.

The actual amounts charged during the year were as follows:

	2023	2022
	£	£
Baines' Endowed Primary School & Children's Centre	340,982	174,294
Great Marsden St John's Primary School	144,450	66,803
St Aidan's Primary School	166,002	70,237
Darwen, St Barnabas CofE Primary Academy	142,461	64,466
St George's School	726,818	421,310
Darwen St James CofE Primary Academy	151,241	62,030
St Luke and St Philips Church of England Primary School	163,502	65,765
Newchurch-In-Pendle St Mary's Church of England Primary School	35,362	15,697
St Silas CofE Primary School	234,002	107,457
Warton St Paul's Church of England Primary Academy	33,902	24,193
St Matthew's Church of England Primary Academy	159,343	66,517
Castle View Primary Academy	67,436	-
Knuzden St Oswald's Church of England Primary Academy	40,126	-
Total	2,405,627	1,138,769

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

12. Trustees' remuneration and expenses

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

		2023 £	2022 £
Peter Ashworth, Chief Executive	Remuneration	125,000 - 130,000	115,000 - 120,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000
Graham Warnock, Trustee	Remuneration	105,000 - 110,000	100,000 - 105,000
	Pension contributions paid	25,000 - 30,000	20,000 - 25,000
Michaela Underwood, Trustee	Remuneration	70,000 - 75,000	65,000 - 70,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000

During the year, retirement benefits were accruing to 3 Trustees (2022 - 3) in respect of defined benefit pension schemes.

During the year ended 31 August 2023, expenses totalling £2,719 were reimbursed or paid directly to 2 Trustees (2022 - £1,911 to 2 Trustees).

13. Trustees' and Officers' Insurance

The 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Tangible fixed assets

	Leasehold land and buildings £	Fixtures and equipment £	Computer hardware £	Total £
Cost or valuation				
At 1 September 2022	17,259,822	920,771	1,746,927	19,927,520
Additions	1,260,097	30,174	287,426	1,577,697
Disposals	-	-	(16,503)	(16,503)
At 31 August 2023	18,519,919	950,945	2,017,850	21,488,714
Depreciation				
At 1 September 2022	2,573,197	441,982	1,424,054	4,439,233
Charge for the year	339,439	105,860	198,545	643,844
On disposals	-	-	(16,503)	(16,503)
At 31 August 2023	2,912,636	547,842	1,606,096	5,066,574
Net book value				
At 31 August 2023	15,607,283	403,103	411,754	16,422,140
<i>At 31 August 2022</i>	<i>14,686,625</i>	<i>478,789</i>	<i>322,873</i>	<i>15,488,287</i>

Expensed capital grant funding

It is the Trust's policy not to capitalise assets relating to Church buildings that are leased on a supplemental agreement. During the year, £341,088 (2022 - £191,113) was expensed in the SOFA.

Included in computer hardware additions is Nil (2022 - £35,520) in respect of gifted laptops from the DFE.

During the year, the Trust entered into a new supplemental lease agreement when acquiring Knuzden St Oswalds into the Trust.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

15. Stocks

	2023	2022
	£	£
Stock	94,335	47,890
	94,335	47,890

16. Debtors

	2023	2022
	£	£
Due within one year		
Trade debtors	137,065	59,252
Other debtors	222,662	190,286
Prepayments and accrued income	1,172,755	1,056,664
	1,532,482	1,306,202

17. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Other loans	2,851	2,781
Trade creditors	783,915	700,567
Other taxation and social security	313,021	276,880
Pensions payable	379,356	331,275
Other creditors	358,728	208,646
Accruals and deferred income	988,487	893,846
	2,826,358	2,413,995

	2023	2022
	£	£
Deferred income at 1 September 2022	374,781	310,541
Resources deferred during the year	292,432	374,781
Amounts released from previous periods	(374,781)	(310,541)
	292,432	374,781

Included in deferred income is amounts for Free School Meals (£175,263), Special Measure Grant (£54,786), Trip and parent pay income (£54,724) and other grants (£7,659).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

18. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loans	12,448	15,299
Trade creditors	-	2,693
Other creditors	179,608	223,041
	192,056	241,033

19. Financial Instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through income and expenditure	5,016,975	3,343,283
	2023 £	2022 £
Financial liabilities		
Financial liabilities measured at amortised cost	1,322,251	1,134,947

Financial assets measured at fair value through income and expenditure comprise cash and bank.

Financial liabilities measured at amortised cost comprise trade creditors and other creditors.

20. Provisions

	Provision £
Additions	24,489
	24,489

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds - all funds	1,369,861	864,518	(493,094)	-	-	1,741,285
Restricted general funds						
General Annual Grant (GAG)	456,497	19,840,693	(19,708,720)	(79,007)	-	509,463
Pupil Premium	-	1,773,415	(1,773,415)	-	-	-
Special Educational Needs	-	1,051,936	(1,051,936)	-	-	-
Other DfE/ESFA grants	92,160	961,429	(1,053,589)	-	-	-
Other grants	-	657,283	(657,283)	-	-	-
Universal FSM	-	269,365	(269,365)	-	-	-
Transfer on conversion	-	(16,848)	-	-	-	(16,848)
Pension reserve	(2,858,000)	216,000	(16,000)	-	2,658,000	-
	<u>(2,309,343)</u>	<u>24,753,273</u>	<u>(24,530,308)</u>	<u>(79,007)</u>	<u>2,658,000</u>	<u>492,615</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21. Statement of funds (continued)

**Restricted fixed
asset funds**

Transfer on conversion	14,025,383	1,385,258	(376,651)	-	-	15,033,990
DfE/ESFA capital grants and donations	870,368	1,697,682	(409,898)	-	-	2,158,152
Capital expenditure from GAG	620,481	-	(138,499)	79,007	-	560,989
Private sector capital sponsorship	15,675	-	(3,871)	-	-	11,804
Public body donated assets	80,209	-	(56,014)	-	-	24,195
	<u>15,612,116</u>	<u>3,082,940</u>	<u>(984,933)</u>	<u>79,007</u>	<u>-</u>	<u>17,789,130</u>
Total Restricted funds	<u>13,302,773</u>	<u>27,836,213</u>	<u>(25,515,241)</u>	<u>-</u>	<u>2,658,000</u>	<u>18,281,745</u>
Total funds	<u><u>14,672,634</u></u>	<u><u>28,700,731</u></u>	<u><u>(26,008,335)</u></u>	<u><u>-</u></u>	<u><u>2,658,000</u></u>	<u><u>20,023,030</u></u>

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Statement of funds (continued)

Restricted funds

Restricted balances carried forward are for funding (cash) to be spent on charitable activities of the trust in accordance with the grant agreements.

General Annual Grant (GAG)

Funds received from the ESFA are applied to the charitable activities of the trust as defined in the funding agreements. Under the funding agreement with the Secretary of State, the academy trust was not subject to limits on the amount of General Annual Grants (GAG) that it could carry forward at 31 August 2021. Note 2 discloses that no funds were carried forward.

Pension reserve

The pension reserve is the liability due to the deficit on the Local Government Pension Scheme overseen by Your Pension Scheme (YPS) – Lancashire. In the current financial year, the deficit on the fund has increased to a surplus of £80,000 (2022 - deficit £2,858,000). The charge to the Income & Expenditure Account in the year was £16,000 (2022 - £925,000) and other recognised gains/(losses) were £2,658,000 (2022 - £10,863,000) after restricting the pension asset to £Nil on the balance sheet. A further £216,000 was recognised as income in the SOFA for business combinations relating to the acquisition of Castle View Primary Academy & Knuzden St Oswald's Church of England Primary Academy (2022 - £921,000), relating to the acquisition of St Matthew's Primary School).

When the estimated value of the scheme is in surplus the Trustee's assess the recoverability of the asset with regard to the future deficit contributions required and the Academies right to any surplus left in the scheme upon wind up. Where the surplus is not deemed recoverable or the Trustee's feel the position is too uncertain, the defined benefit pension scheme asset is not recognised. This has resulted in the gain on scheme assets being capped to not show the pension surplus of £80,000 and instead show a nil value.

Restricted fixed asset funds

Incoming resources have been spent on capital expenditure, resources expended are depreciation and amortisation on fixed assets purchased in previous academic years (as per the trust's fixed assets policy) and transfers are represented by capital expenditure funded by revenue income. Therefore balances carried forward on these have been committed in future years for depreciation and amortisation.

Unrestricted funds

Any unspent funds (cash) can be used at the discretion of the Board of Trustees to meet the charitable objectives of the academy trusts.

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

CIDARI EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
General Funds - all funds	997,711	495,713	(123,563)	-	-	1,369,861
Restricted general funds						
General Annual Grant (GAG)	506,842	16,172,676	(16,102,070)	(120,751)	-	456,497
Pupil Premium	-	1,437,256	(1,437,256)	-	-	-
Special Educational Needs	14,018	-	(14,018)	-	-	-
Other DfE/ESFA grants	-	1,095,536	(1,003,376)	-	-	92,160
Other grants	-	1,414,307	(1,414,307)	-	-	-
Universal FSM	-	214,004	(214,004)	-	-	-
Transfer on conversion	9,777	171,178	(180,955)	-	-	-
Pension reserve	(11,875,000)	(921,000)	(925,000)	-	10,863,000	(2,858,000)
	<u>(11,344,563)</u>	<u>19,583,957</u>	<u>(21,290,986)</u>	<u>(120,751)</u>	<u>10,863,000</u>	<u>(2,309,343)</u>

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Statement of funds (continued)

Restricted fixed asset funds						
Transfer on conversion	14,300,475	67,278	(342,370)	-	-	14,025,383
DfE/ESFA capital grants and donations	868,886	290,140	(97,545)	(191,113)	-	870,368
Capital expenditure from GAG	425,407	-	(116,790)	311,864	-	620,481
Private sector capital sponsorship	26,970	-	(11,295)	-	-	15,675
Public body donated assets	98,729	35,520	(54,040)	-	-	80,209
	<u>15,720,467</u>	<u>392,938</u>	<u>(622,040)</u>	<u>120,751</u>	<u>-</u>	<u>15,612,116</u>
Total Restricted funds	<u>4,375,904</u>	<u>19,976,895</u>	<u>(21,913,026)</u>	<u>-</u>	<u>10,863,000</u>	<u>13,302,773</u>
Total funds	<u><u>5,373,615</u></u>	<u><u>20,472,608</u></u>	<u><u>(22,036,589)</u></u>	<u><u>-</u></u>	<u><u>10,863,000</u></u>	<u><u>14,672,634</u></u>

CIDARI EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Baines' Endowed Primary School & Children's Centre	332,881	428,660
Great Marsden St John's Primary School	(7,469)	(8,295)
St Aidan's Primary School	205,646	149,624
Darwen, St Barnabas CofE Primary Academy	191,748	182,377
St George's School	2,102,991	1,665,598
Darwen St James CofE Primary Academy	88,758	71,220
St Luke and St Philips Church of England Primary School	(59,494)	(77,619)
Newchurch-In-Pendle St Mary's Church of England Primary School	(34,321)	(40,872)
St Silas CofE Primary School	(198,614)	(125,917)
Warton St Paul's Church of England Primary Academy	(45,360)	(234)
Central Services	(355,048)	(427,355)
St Matthew's Church of England Primary Academy	30,711	101,331
Castle View Primary Academy	46,396	-
Knuzden St Oswald's Church of England Primary Academy	(64,925)	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	2,233,900	1,918,518
Restricted fixed asset fund	17,789,130	15,612,116
Pension reserve	-	(2,858,000)
	<hr/>	<hr/>
Total	20,023,030	14,672,634

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Great Marsden St Johns	(7,469)
Knuzden St Oswalds	(64,925)
St Luke and St Philips	(59,494)
Newchurch St Mary	(34,321)
Warton St Pauls	(45,360)
Central Services	(355,048)

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Statement of funds (continued)

The Trust is taking the following action to return the academies to surplus:

Great Marsden St Johns is carrying a deficit of £7,469 (2022 – deficit £8,295) on these funds. The Trust has worked with the academy to implement efficiencies enabling the academy to return to surplus over the next 2 years.

Knuzden St Oswalds converted with carrying a deficit. Current year deficit is £64,295 (2022 – N/A as not part of the trust). The trust is implementing efficiencies with the academy to improve position and expects the academy to return to surplus in the next 3 years.

St Luke and St Philips is carrying a deficit of £59,494 (2022 – deficit £77,619) on these funds. The Trust has worked with the academy to implement efficiencies enabling the academy to return to surplus over the next 2 years.

Newchurch St Mary is carrying a deficit of £34,321 (2022 – deficit £40,872) on these funds. The Trust is working with the academy to implement efficiencies and expects the academy to return to surplus.

St Silas is carrying a deficit of £198,614 (2022 – deficit £125,917) on these funds due to declining pupil numbers. The Trust is working with the academy to implement efficiencies and expects the academy to return to surplus over the next 3 years.

Warton St Pauls is carrying a deficit of £45,360 (2022 – deficit £234) on these funds due to low pupil numbers. The Trust is working with the academy to implement efficiencies and improve pupil numbers. The Trust expects the academy to return to surplus over the next 3 years.

Central Services is carrying a net deficit of £355,048 (2023 – deficit of £427,355) on these funds due to initial costs incurred on the set up of the trust and COVID related expenditure. Central Services has been structured to provide a small in year surplus and plans to reduce the deficit without impacting on the services provided to the academies.

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

21. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Baines' Endowed Primary School & Children's Centre	2,141,238	490,791	56,628	683,985	3,372,642	3,248,846
Great Marsden St John's Primary School	881,890	80,313	35,619	329,183	1,327,005	1,245,855
St Aidan's Primary School	870,099	155,835	70,519	350,568	1,447,021	1,294,433
Darwen, St Barnabus CofE Primary Academy	670,450	135,370	70,519	350,568	1,226,907	1,055,765
St George's School	4,845,856	237,056	60,174	1,849,252	6,992,338	6,406,153
Darwen St James CofE Primary Academy	834,321	165,315	30,645	342,618	1,372,899	1,271,410
St Luke and St Phillips Church of England Primary School	988,571	144,809	21,506	331,053	1,485,939	1,233,576
Newchurch-in- Pendle St Mary's Church of England Primary School	250,759	37,487	9,737	101,214	399,197	392,953

CIDARI EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

21. Statement of funds (continued)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
St Silas CofE Primary School	1,436,464	166,190	88,798	466,318	2,157,770	2,004,150
Warton St Paul's Church of England Primary Academy	535,862	58,493	10,017	165,327	769,699	679,545
Central Services	88,778	1,244,391	23,294	1,185,826	2,542,289	1,479,058
St Matthew's Church of England Primary Academy	1,943,921	135,270	65,820	533,784	2,678,795	1,366,600
Castle View Primary Academy	796,379	100,364	24,278	242,689	1,163,710	-
Knuzden St Oswald's Church of England Primary Academy	324,208	29,775	7,154	117,314	478,451	-
Academy	16,608,796	3,181,459	574,708	7,049,699	27,414,662	21,678,344

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	16,422,141	16,422,141
Current assets	4,783,962	492,841	1,366,989	6,643,792
Creditors due within one year	(2,826,132)	(226)	-	(2,826,358)
Creditors due in more than one year	(192,056)	-	-	(192,056)
Provisions for liabilities and charges	(24,489)	-	-	(24,489)
Total	1,741,285	492,615	17,789,130	20,023,030

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	15,488,287	15,488,287
Current assets	4,024,889	548,657	123,829	4,697,375
Creditors due within one year	(2,413,995)	-	-	(2,413,995)
Creditors due in more than one year	(241,033)	-	-	(241,033)
Provisions for liabilities and charges	-	(2,858,000)	-	(2,858,000)
Total	1,369,861	(2,309,343)	15,612,116	14,672,634

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

23. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023	2022
	£	£
Net income/(expenditure) for the year (as per Statement of Financial Activities)	2,692,396	(1,563,981)
Adjustments for:		
Depreciation	643,843	551,934
Capital grants, donations and transfers from conversion	(3,082,941)	(392,938)
Interest receivable	(59,391)	(10,470)
Defined benefit pension scheme obligation inherited	(216,000)	921,000
Defined benefit pension scheme cost less contributions payable	(73,000)	719,000
Defined benefit pension scheme finance cost	89,000	206,000
(Increase)/decrease in stocks	(46,445)	10,681
Increase in debtors	(226,280)	(361,799)
Increase in creditors	380,235	752,413
Increase in provisions	24,489	-
Net cash provided by operating activities	125,906	831,840

24. Cash flows from financing activities

	2023	2022
	£	£
Cash inflows from new borrowing	-	18,080
Net cash provided by financing activities	-	18,080

25. Cash flows from investing activities

	2023	2022
	£	£
Dividends, interest and rents from investments	59,391	10,470
Purchase of tangible fixed assets	(319,698)	(602,211)
Capital grants, donations and transfers from conversion	1,824,941	290,140
Capital income in respect of academy conversion	(16,848)	67,278
Net cash provided by/(used in) Investing activities	1,547,786	(234,323)

CIDARI EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	5,016,975	3,343,283
Total cash and cash equivalents	5,016,975	3,343,283

27. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	3,343,283	1,673,692	5,016,975
Debt due within 1 year	(334,056)	(48,151)	(382,207)
Debt due after 1 year	(15,299)	2,851	(12,448)
	2,993,928	1,628,392	4,622,320

28. Contingent liabilities

There is a contingent liability in respect of repair works required to rectify a building with Reinforced Autoclaved Aerated Concrete (RAAC) at Knuzden St Oswalds. The value provided by a Chartered Building Surveyor estimates the costs to be approximately £420,500. The DfE have confirmed that they will support the school to rectify the RAAC, and there is a contingent asset to cover the cost of this liability.

The RAAC is in respect of a building on a supplemental lease agreement therefore there is no impairment risk to consider for land and buildings.

29. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	809,412
	-	809,412

30. Pension commitments

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

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

30. Pension commitments (continued)

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

Contributions amounting to £146,066 were payable to the LGPS schemes at 31 August 2023 (2022 - £112,254) and are included within creditors. Contributions of £233,290 were owing to the TPS scheme at 31 August 2023 (2022 - £219,021).

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £2,729,737 (2022 - £1,577,558).

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

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

CIDARI EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
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30. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,442,000 (2022 - £1,129,000), of which employer's contributions totaled £1,147,000 (2022 - £915,000) and employees' contributions totaled £ 295,000 (2022 - £214,000). The agreed contribution rates for future years are 14.6 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the academy, 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 year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	4.3	4.3
Rate of increase for pensions in payment/inflation	2.9	2.9
Discount rate for scheme liabilities	5.3	4.3
Inflation assumption (CPI)	2.8	2.8

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	21	22.3
Females	23.4	25
<i>Retiring in 20 years</i>		
Males	22.2	23.7
Females	25.2	26.8

CIDARI EDUCATION LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

30. Pension commitments (continued)

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.5% (2022 +0.1%)	(1,387)	2,530
Mortality assumption - 1 year increase	191	3,159
CPI rate +0.25% (2022 +0.1%)	624	3,194
Pay Growth +0.25% (2022 +0.1%)	56	2,891

Share of scheme assets

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

	At 31	At 31 August
	August 2023	2022
	£	£
Equities	6,862,000	5,716,000
Debt Instruments	57,000	533,000
Property	1,347,000	1,320,000
Cash and other liquid assets	85,000	194,000
Other	5,827,000	4,348,000
Total market value of assets	14,178,000	12,111,000

The actual return on scheme assets was £312,000 (2022 - £772,000).

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

	2023	2022
	£	£
Current service cost	1,045,000	(1,610,000)
Interest cost	89,000	206,000
Administrative expenses	29,000	(21,000)
Curtailments	-	(3,000)
Total amount recognised in the Statement of Financial Activities	1,163,000	(1,428,000)

CIDARI EDUCATION LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

30. Pension commitments (continued)

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

	2023	2022
	£	£
At 1 September	14,969,000	21,003,000
Conversion of academy trusts	888,000	2,143,000
Current service cost	1,045,000	1,610,000
Interest cost	682,000	385,000
Employee contributions	295,000	214,000
Actuarial gains - restricted	(3,414,000)	(10,271,000)
Benefits paid	(287,000)	(118,000)
Curtailments	-	3,000
At 31 August	<u>14,178,000</u>	<u>14,969,000</u>

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

	2023	2022
	£	£
At 1 September	12,111,000	9,128,000
Conversion of academy trusts	1,104,000	1,222,000
Interest income	593,000	179,000
Actuarial (losses)/gains	(756,000)	592,000
Employer contributions	1,147,000	915,000
Employee contributions	295,000	214,000
Benefits paid	(287,000)	(118,000)
Admin Expenses	(29,000)	(21,000)
At 31 August	<u>14,178,000</u>	<u>12,111,000</u>

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31. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	56,621	53,618
Later than 1 year and not later than 5 years	117,733	10,243
	<u>174,354</u>	<u>63,861</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2023 £	2022 £
Operating lease rentals	53,618	52,255

32. Other financial commitments

The Trust entered in to a contract with an external payroll service provider in 2022. As at 31 August 2023, the future payment commitment totaled £39,590 (2022 £71,263), with £31,672 due in one year and £7,918 due between 2 and 5 years.

33. Members' liability

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

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34. Related party transactions

Trustees' remuneration has been disclosed in note 12.

Upon the schools being converted to academy trust status under the Academies Act 2010 all the operations and assets and liabilities were transferred to Cidari Education Limited for £nil consideration.

The transfers have been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources and resources expended in the Statement of Financial Activities as voluntary income and other resources expended.

During the year the trust incurred the following:

- costs of £14,601 (2022 - £20,691) from the Blackburn Diocesan Board of Education, an entity with common ultimate control for the cost of training, conferences, curriculum support and induction courses. At the year end, the outstanding balance was £219,608 (2022 - £259,888).
- costs of 24,334 (2022 - £12,836) from the Blackburn Diocesan Offices, an entity with common ultimate control. These were in relation to rent, utilities, repairs and maintenance. At the year end, the outstanding balance was £ - (2022 - £4,136).
- costs of £ - (2022 - £ 76) from the Blackburn Diocesan Board of Finance. At the year end, a the outstanding balance was £6,127 (2022 - £11,126).
- costs of £ 197 (2022 - £ 132) from Blackburn Cathedral Council, an entity of which Jo Venn is a member. These were in relation to a school trip. Nothing was outstanding at the year end.

All transactions were made in accordance with the trust's financial regulations.

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

35. Post balance sheet events

On 1 September 2023 the Appley Bridge All Saints Church of England Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Cidari Education Limited from Lancashire Local Authority for £nil consideration.

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36. Transfer of existing academies into the academy

Castle View Primary Academy

	Value reported by transferring trust £	Transfer in recognised £
Tangible fixed assets		
Long-term leasehold property	1,242,000	1,242,000
Cash at bank and in hand	162,996	162,996
Pensions		
Pensions - pension scheme assets	712,258	712,258
Pensions - pension scheme liabilities	(572,903)	(572,903)
Net assets	<u>1,544,351</u>	<u>1,544,351</u>

On 1 September 2022 the Castle View Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Cidari Education Limited from Lancashire Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations - transfer from local authority on conversion/Charitable activities - transfer from local authority on conversion.

The following table set out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

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NOTES TO THE FINANCIAL STATEMENTS
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36. Transfer of existing academies into the academy (continued)

Knuzden St Oswald's Church of England Primary Academy

	Value reported by transferring trust £	Transfer in recognised £
Intangible assets		
Tangible fixed assets		
Long-term leasehold property	16,000	16,000
Current assets		
Cash at bank and in hand	15,567	15,567
Liabilities		
Creditors due within one year	(68,153)	(68,153)
Pensions		
Pensions - pension scheme assets	391,742	391,742
Pensions - pension scheme liabilities	(315,097)	(315,097)
Net assets	<u>40,059</u>	<u>40,059</u>

On 1 April 2023 the Knuzden St Oswald's Church of England Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Cidari Education Limited from Lancashire Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain/loss in the Statement of Financial Activities as Donations - transfer from local authority on conversion/Charitable activities - transfer from local authority on conversion.

The following table set out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.




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Final Audit Report

2023-12-18

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By:	Lauren Graham (lauren.graham@armstrongwatson.co.uk)
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-  Document created by Lauren Graham (lauren.graham@armstrongwatson.co.uk)
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