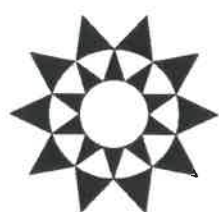


THE CAVENDISH HIGH ACADEMY

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**



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THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

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THE CAVENDISH HIGH ACADEMY
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	C A Howard D Jameson H Kershaw Jones
Trustees	C A Howard, Chair of Trustees L McMillan, Vice Chair Elaine Haver, Principal Ex-officio G Price E Newton M Histon D Bridgeman (appointed 30 November 2021, resigned 24 November 2022) J Gregg (appointed 25 January 2022) K Harding (appointed 28 February 2022)
Company registered number	08789220
Company name	The Cavendish High Academy
Principal and registered office	The Cavendish High Academy Lincoln Close Runcorn Cheshire WA7 4YX
Independent auditors	WR Partners Chartered Accountants Drake House Gadbrook Park Rudheath Northwich Cheshire CW9 7RA
Senior Management Team	E Haver - Principal J Munro - Assistant Principal C Ball - Acting Assistant Principal P Burke - Acting Assistant Principal D Griffiths - SBM/Chief Finance Officer D Miller - ASBM

THE CAVENDISH HIGH ACADEMY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates a special school academy for pupils aged 11 to 19 primarily serving the borough of Halton, Cheshire, in the North-West of England, though surrounding local authorities do commission individual pupil placements at the school. It has a pupil capacity of 92 and had a roll of 104 in the school census January 2022.

Structure, governance and management

a. Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of The Cavendish High Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Cavendish High Academy. The trustees are also referred to as Governors and collectively the Governing Board/Body of the School.

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

b. Members' liability

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

c. Trustees' indemnities

Qualifying third party indemnity provision has been obtained by the academy for the benefit of the governors.

THE CAVENDISH HIGH ACADEMY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

d.

Should there be a resignation; The Governing Body Standing Orders will be used to recruit new trustees.

The structure of the Governing Body for 2021-2022 is:

- Principal Head Teacher (accounting officer)
- 1 x Staff representative member
- 7 x Community/business members

All future Governors shall be appointed or elected, as the case may be, under the Articles of Association and Funding Agreement. Internal recruitment for any staff and parent appointment will be undertaken using democratic voting procedures and election overseen by Clerk to the Governing Body.

Community governors will be sought via registration of interest through collaborative partners, local charitable organisations (in particular Special Needs) and governor support agencies.

Governors terms of office shall be 4 years. This time limit does not apply to the Principal Head Teacher who is ex-officio. Subject to remaining eligible any governor may be re-appointed or re-elected.

The current structure of the governing body:

In general, the Academy Trust will have the following Governors:-

- Not less than three governors (not subject to a maximum)
- The members* may appoint up to 7 governors, subject to Article 50.
- Staff governors must not exceed more than 1/3rd of the total number of governors
- A staff Governor will only hold office for so long as they continue to be employed at the Academy.

e. Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Governors will depend upon their existing experience and consequently induction tends to be tailored specifically to the individual. In non-pandemic times It would always include a physical tour of the Academy, and a chance to meet staff and students. During pandemic times a virtual alternative will be offered. As per legislation that came into force 18th March 2016 all Governors are subject to a mandatory Enhanced DBS check and a Section 128 check. All Governors are provided with online access to documents and information that they will need to undertake their role as a Governor. There is also a package of local training and support available for governors from Edsential and the Local Authority (Halton). Further information, advice and general support is provided by the Academy through membership of the highly valued 'Key for School Governors', the NGA and the Consortium of School Trusts (CST).

THE CAVENDISH HIGH ACADEMY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

f. Organisational structure

Subject to the mandates imposed by the Companies Act 2006, the articles of Association ensure that the activities of the Academy Trust are managed by the Governors who exercise all the powers of the Academy trust with very few exceptions reserved to the Members.

The Full Governing Board meets once per term. The Business Continuity & Premises and Teaching & Learning Sub-committee meetings also take place once per term. The Curriculum Review committee meets annually.

The following decisions are reserved to the Full Governing Board meetings: considerations of proposals for changes in states to the academy and its committee structure; to appoint/remove the Chair/Vice Chair; to appoint the Principal Head Teacher; to review the SEF, to approve the annual School Improvement Plan and to approve the budget.

Trustees make joint decisions with the SLT on appointment of teachers and the senior leadership team. The SLT may appoint teaching assistants and support staff.

The Governors devolve responsibility for the day to day operational control and management of the Academy to the Principal Head Teacher and Senior Leadership Team including the Assistant Principals and SBM/Chief Finance Officer and ASBM. The SLT also makes recommendations to the Governing board regarding the strategic direction of the school. The Principal is the accounting officer.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of the academy key management personnel is agreed by the Board following referral to: The Academy Pay & Appraisal Policy, feedback from the Principal Head Teacher regarding performance management reviews for SLT and other senior teaching staff which in turn refer to the Teachers Standards and for the Finance Officer with referral to the non-statutory NASBM professional standards framework for school business managers.

Pay & remuneration of the Principal Head Teacher is considered & agreed by a minimum of 2 trustees (including the chair and/or vice chair) following performance appraisal review by the external School Improvement Partner and referring to the Pay & Appraisal Policy: Leadership Group calculations, as well as the national standards of excellence for head teachers. Benchmarking of salaries through local consortia and regional job advertisements.

The Academy's financial control group comprises the Principal Head Teacher, Chief Finance Officer, ASBM and the Chair of Governors and Chair of Finance who collectively assess the school's financial position and formulate the recommendations to the governors on Staffing, Finance, Health and Safety and premises Committees as part of the budget setting, monitoring and planning process.

Accounting Officer	Mrs E Haver Principal Head Teacher
Chief Finance Officer	Mrs D Griffiths

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

Governor's Responsibilities 2021-2022

Name	Position	Category	Responsibilities
Carole Howard	Member Chair Trustee / Director	Community Co-opted	Safeguarding Safer Recruitment Key Skills (Literacy & Numeracy) COVID Committee
Lisa McMillan	Member Vice Chair Trustee / Director	Community Co-opted	Children in Care Special Educational Needs Safeguarding
Gill Price	Trustee/Director	Community Co-opted	Educational Visits & Learning Outside the Classroom. SMSC.
Elisha Newton	Trustee/Director	Parent Community Co-opted	Business & Continuity Sub Committee Chair - Finance
Damian Bridgeman	Trustee/Director	Community Co-opted	Website. Curriculum
Kayleigh Harding	Trustee/Director	Parent Community Co-opted	
Janette Gregg	Trustee/Director	Community Co-opted	Well-being
Marie Histon	Trustee/Director	Staff	Health & Safety inc COVID Committee
Elaine Haver	Trustee/Director	Ex officio Principal	Accounting Officer
John Munro		Officer Assistant Principal	Reporting on Progress Data - Achievement & Accreditation. DSL- Reporting on Safeguarding & Children in Care COVID Committee

The Friends of Cavendish (Charitable Number: 510906) - This is a charity set up to advance the education of the pupils of the school by providing and assisting in the provision of facilities and equipment for education and enrichment at the school (not formally provided by the Local Education Authority).

The Academy is an outward facing school as is reflected in its membership of, and contributions to, a range of networks, consortia and alliances both locally and regionally including; Merseyside SLD Schools (MSLD), Cheshire Special Schools Consortium (CSSC) Halton Secondary Heads (HASH), Halton Special Schools, Merseyside Special Teaching School Alliance (MSTSA) Palmerston Teaching School Alliance, Confederation of Schools Trusts (CST). We have played a key role in the development and delivery of ITT & NQT training through our Merseyside connections. We also work with a range of external organisations to help train and develop educators of the future, including Chester, Liverpool Hope, Bangor & Manchester Metropolitan universities, to support ITT students on PGCE, BEd & BA with QTS courses.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£
--	----------

Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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THE CAVENDISH HIGH ACADEMY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities

a. Objects and aims

The Cavendish High Academy is a converter special school academy (Feb 2014 conversion date) in Runcorn, Halton, providing specialist education for students aged 11-19 years. It is a well-established inclusive and supportive learning community where pupils learn together in a safe and caring environment, where we aim to best meet their very differing educational needs.

The majority of our students have severe learning difficulties and com-morbidity of SEND including Autism, SLCN, SEMH, HI, PD, VI, MLD, PMLD and other including ADHD, FAS, PDA, ODD. 104 students on roll 2021-22. 100% of students have EHCP or in process of being provided with EHCP via LA. In March 2017 Ofsted noted "Parents clamour to secure places at The Cavendish High Academy for their children". This remained the case in September 2021 & September 2022 with a rising number of requests from mainstream primary schools for places for their pupils for year 7 in September 2021 and a rising roll predicted over the next 6 years. Over number places to a total of 101 September 2022 and still growing demand with 40+ enquiries for 7 available places for September 2023.

Halton has areas of high deprivation and our FSM/PP entitlement is above average.

The curricula are flexible and responsive; our teaching community is committed to revising and reinventing them to ensure they can most effectively meet the increasingly complex and diverse needs of our pupils. Creativity is core to outstanding teaching and learning and we strive to break down the barriers between subjects to ensure deep and meaningful learning can take place for our students.

b. Objectives, strategies and activities

Post-pandemic we are now moving back towards external engagement. We have always been an outward facing school and work collaboratively with a wide range of agencies for the benefit of our students and their families and also our staff. For the benefit of our students we are very happy to welcome multi-agency professionals back onto site where they were previously prohibited by their own employers.

The trust's overarching objective is to provide our students with an exceptional education through a range of curricula that are differentiated to meet their very specific educational needs. We can only do this by continuing to be a school that engages in collaboration & research with a range of other schools and various agencies with the aim of being at the leading edge of best practice.

c. Public benefit

The Academy has complied with its duty to have due regard to the guidance on public benefit, published by the Charity Commission, in exercising its powers or duties. FRS 102: 'an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members'. In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit. Our trust is committed to public benefit and civic duty as part of its overall strategic development plan.

THE CAVENDISH HIGH ACADEMY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

(continued)

a. Key performance indicators

Ofsted March 2017: Outstanding

LA grade – level of support: A

Gatsby Benchmarking - 6/8 benchmark areas fully completed with the two we are still working towards being benchmark 4 (linking curriculum learning careers) at 75% and benchmark 6 (experiences of workplaces) at 50%. Of our summer 2022 Leavers 2 have progressed onto supported internships.

Currently running NHS cadets programme.

Currently school holds the following:

Nurturing School Award

Rights Respecting Schools - Silver Award. Working towards: Rights Respecting Gold Award.

Eco Schools - Bronze Award

Working on the Autism Education Trust Framework.

Member of SSAT Leading Edge providing support for Leadership Legacy Project.

Principal working partner with University of Chester on SEND Working Group, Academic and Professional Programmes, Faculty of Education and Children's Services.

Attendance: improving year on year and unauthorized absence decreasing year on year and excellent comparatively in terms of national data for special schools.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

(continued)

Headline Progress Data 2021-2022
1. Overall progress of pupils in Key Stage 3 <ul style="list-style-type: none">• 78% of pupils are making expected progress or above expected progress in English• 83% of pupils are making expected progress or above expected progress in Mathematics• 84% of pupils are making expected progress or above expected progress in PHSE
2. Overall progress of pupils in Key Stage 4 <ul style="list-style-type: none">• 70% of pupils are making expected progress or above expected progress in English• 61% of pupils are making expected progress or above expected progress in Mathematics• 73% of pupils are making expected progress or above expected progress in PHSE
3. Overall progress of pupils in Key Stage 5 <ul style="list-style-type: none">• 88% of pupils are making expected progress or above expected progress in English• 74% of pupils are making expected progress or above expected progress in Mathematics• 66.5% of pupils are making expected progress or above expected progress in PHSE
4. Overall progress of pupils whole school <ul style="list-style-type: none">• 78% of pupils are making expected progress or above expected progress in English• 75.5% of pupils are making expected progress or above expected progress in Mathematics• 76.5% of pupils are making expected progress or above expected progress in PHSE
5. Overall progress of pupils in Receipt of Pupil Premium <ul style="list-style-type: none">• 75% of pupils are making expected progress or above expected progress in English• 79% of pupils are making expected progress or above expected progress in Mathematics• 73% of pupils are making expected progress or above expected progress in PHSE
6. Overall progress of pupils in Receipt of Free School Meals <ul style="list-style-type: none">• 85% of pupils are making expected progress or above expected progress in English• 84% of pupils are making expected progress or above expected progress in Mathematics• 81% of pupils are making expected progress or above expected progress in PHSE
7. Overall progress of pupils who are looked after <ul style="list-style-type: none">• 81% of pupils are making expected progress or above expected progress in English• 50% of pupils are making expected progress or above expected progress in Mathematics• 74% of pupils are making expected progress or above expected progress in PHSE
8. Overall progress of "Engagement Steps" pupils <ul style="list-style-type: none">• 86% of pupils in the cohort are making expected or above expected progress within Engagement steps• 87.5% of KS3 pupils are making expected or above expected progress within Engagement steps• 100% of KS4 pupils are making expected or above expected progress within Engagement steps• 67% of KS5 pupils are making expected or above expected progress within Engagement steps

Ensure leadership and management remains outstanding

In order to ensure strategic and operational capacity in the long term we reviewed the staffing structure with a particular focus on support staff and the business team,

We have a planned increase in the number of teaching assistants across the school to keep pace with rising numbers of students.

Planned and budgeted for 3 new HLTA roles which are having an instant impact across the school both in student and staff well-being amongst other things.

THE CAVENDISH HIGH ACADEMY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

(continued)

Recruited a new school business manager and also a part-time assistant school business manager to give us capacity and scope to look at future growth of a MAT.

Recruited new premises officer.

The new assistant principals have risen to the challenge of their roles and there is a wider sharing and devolving of responsibilities both within and outside of the SLT which is providing opportunities for development for a range of staff.

Ensure we can meet the needs of the young people of Halton who need our specialist provision & Future provision.

Contextual information:

February 2022 Government Levelling Up White Paper - Halton was one of 55 LAs selected as an Education Investment area.

March 2022 Schools White Paper Halton identified as one of the 24 LAs that needed intensive investment as a Priority Education Investment Areas.

26% of the population of Halton is living in areas in the top 10% most deprived in England.

FSM data for 2021-2022: 65/105 students = 63%

School continues working to strategically manage and plan for the increased demand for places for students. We are still working in collaboration with the local authority who were looking to invest in the school by building additional class space. This was due to start in August/September 2022 with an end date of approximately April 2023 but is currently held up in the planning stages. We now have serious concerns that this project will mean we do not have the expected provision and capacity initially planned for September 2023.

We have rewritten our curriculum over the past 18 months to ensure that the curriculum remains innovative and relevant in order to meet the very individual needs of all pupils particularly given the changing cohort in years 7 & 8. This has an obvious knock-on effect in the following years curriculum content then so will be dynamically evolving.

Our innovation in work on gender inequality has been recognised internationally throughout Europe as part of the AGES project.

Careers provision is being further developed by the Careers Strategic lead for the school, in conjunction with a number of external partners, as we work on the Gatsby Benchmarks.

Our school leavers of summer 2022 have all successfully moved onto their planned college or social care provision. We are very proud that two of our students have progressed on to supported internship placements.

Placement requests - rising numbers

Academy place funded by the ESFA for 92 students and had 104 on roll for 2021-2022 academic year. In September 2022 we had 101 on roll. Numbers are projected to continue rising with a worrying trend in in-year requests for places following unsuccessful placements in mainstream secondary provision in year 7 and or 8 or those who have not yet progressed onto secondary provision despite being in year 7. This is not sustainable within the current local special school provision; this is recognized by the Local Authority SEND Strategic Partnership, Schools Forum and the Halton Learning Alliance.

We are also being asked to place a greater number of young people without a severe level of cognitive learning difficulties. Many of these young people and their families are requesting a placement in a special school environment as they feel a typical secondary school environment is too large and busy to meet their needs. However, our class sizes are increasing and in some cases are larger than resource base provision with a lower staff to pupil ratio than the bases also.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

(continued)

Attendance

Post-covid lockdown attendance has been excellent overall in the academy. We benchmark against local special school attendance figures in the Merseyside and Cheshire Consortia as well as against national data. Attendance at special schools is typically lower than at mainstream settings. Attendance at Cavendish is generally very good.

Attendance data for the whole year Sept 2021- July 2022 was 90.8%.

National data comparative data is not readily available for last year due to the covid pandemic but

Some comparative attendance data by specific date exists and for national special schools was 84.6% on 7 July 2022 compared to 90.4% in Cavendish. Cavendish un-authorised absence has dropped year on year as below:

2019-2020: 2.8%

2020-2021: 1.9%

2021-2022: 1.17%

For the foreseeable future the Academy will be oversubscribed so we are likely to need to apply to the ESFA to increase planned place numbers, but this is only if we can identify a suitable site/premises for satellite provision. If this cannot be located, then there is very limited expansion potential/opportunity on the current landlocked site. The LA are working with us on plans to try to increase on site capacity but at present time there is no confirmation.

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Please see notes below in Financial Review section for the basis on which the going concern has been made.

Financial review

Due to very effective and prudent budget & staff management along with effective benchmarking the Academy ended the year with a small carry forward to add to reserves.

Revenue reserves are over 4% and therefore the academy was not eligible for any additional COVID funding. The Academy reserves were also above the level of reserves of the majority of maintained schools in the local area (reference to the school's forum papers of the autumn term 2022).

Demand for places at the school far exceeds the physical capacity of the site. Although we are secure in terms of pupil numbers going forwards for the foreseeable future (at least 5 years) there is a degree of uncertainty with regards to the student population and the banding levels we would receive as the nature of our specialist provision capacity has been affected by student numbers on site.

The local authority has assured the Principal they are committed to supporting Cavendish and have guaranteed to pay placement costs for those students over and above place numbers for which we are not already funded by the ESFA and will support school if we approach the ESFA to increase the number of places.

THE CAVENDISH HIGH ACADEMY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

The Academy receives funding from two principal sources: The Education Funding Agency and Halton Local Authority. There are smaller incomes from other local authorities who request places for students at the Academy.

The General Annual Grant (GAG) received from the Education Funding Agency is place funding and is paid on a monthly basis - this amount has not changed for over 6 years now. It is paid in regular monthly instalments direct from the ESFA and a payment schedule is provided along with a financial letter advising of the income to be paid.

Top up funding is received from Local Authority's High Needs Funding Block and was historically paid, very belatedly in Halton Local Authority's case, on a termly basis. In the 2021-22 academic year Halton local authority were working with us to provide documentation to review and support their per head payments earlier in the school term (though this continues to be significantly impacted by their staff capacity to do so in 2022.) The Academy still cannot begin to reconcile payments made with expected/projected income in a timely manner as was hoped last year. Other local authorities pay in a timely manner when invoiced.

Staffing costs and budget projections have been significantly hit by the information all schools received post-budget setting in July 2022. We had projected a 5% increase across all staff pay (approx. £60,000) but the nationally agreed pay increase has seen this figure rise to £127,000, so £67,000 more than projected. There is also the teacher pay award to be implemented at 5% but with a codicil that the unions are balloting for strike action and asking for a 12% pay award. Additionally, there are the significant extra increases in fuel and energy costs that were not known when budgets were set along with the significant increase in inflation.

We continue to aim to keep overall staffing costs as low as possible whilst not compromising on quality of provision. We are however mindful of inflation and energy costs for the coming years.

MFG for special schools for high needs funding – MFG of 3% increase on top up funding being provided to Las but unsure as to the mechanism for this or whether the Las will need to comply. In a meeting with CST schools the new ESFA Director indicated that ideally he would like to see multi-year budgets for academies to support more effective financial planning which would be a very welcome change.

During the year ended 31st August 2022, total expenditure of £2,093,505 (2021:£1,970,804) was covered by grant funding from the DfE combined with top up funding from local authorities and other incoming resources such as Pupil Premium & Covid Catch Up funding. The excess of income over expenditure for the period (excluding fixed asset funds and pension reserve) was £220,680.

Through detailed provision mapping along with analysis of behaviour that challenges, support requirements and assessment and attainment data we continually review class cohorts and staffing structures to maximise value for money from staff and minimise overall costs. Our greatest asset and most significant cost is our staff. Staff costs excluding agency staff accounts for approximately 85% (2021: 91%) of our annual income. Including agency staff costs the figure equates to 93% for 2022 (2021: 95%). Staffing is regularly reviewed across the whole Academy, both class based and non-class based. For health and safety reasons we need to maintain a minimum level of staffing levels in classrooms. Benchmarking across our local SLD consortium has highlighted that our average class sizes are the largest within the group of 15 schools and we have the fewest teachers overall. We cannot for see being able to safely reduce teacher costs at all. We continue to be very prudent and to mitigate risk we regularly work on benchmarking exercises and scenario planning.

At August 31st 2022 the net book value of fixed assets are shown in note 14 to the financial statements. Assets were used exclusively for providing education and associated support services to the pupils of the academy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

a. Reserves policy

A key objective of the Academy is to maintain a structure of prudent financial management. The aims of the Academy's reserves policy are that the level of reserves should:

- mitigate termly cash-flow issues "troughs" associated with historically lagged local authority top up funding this did not improve for 2021-2022 even though the LA had agreed a new, more timely, schedule with us.
- ensure fluctuations in income e.g. top up funding leaves with students or reduced student numbers) or unexpected expenditure (e.g. urgent maintenance work, significant supply costs due to staff illness that is not covered by insurance) are managed effectively
- enable a robust programme for the renewal and replacement of school assets to be developed and maintained (e.g. school minibus or ICT equipment)
- to provide for unexpected emergencies
- ideally the academy needs to maintain reserves of £500,000 (to ensure we have three months' worth of salaries as the LA has paid the top up funding due up to three months late which has a significant impact on our cash flow and capacity to pay all of our regular salaries & bills). This equates to approx. 72% reserves
- This is unlikely to be possible going forwards in light of the increased staffing costs we now have. The governing board asked for the Local Authority to provide their assurance that they will underwrite any potential debt incurred from lack of timely top up funding payment but this was not agreed to.

The Governors will be mindful that existing students are not disadvantaged through the retention of excessive reserves. To this end the Governors review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Governors will keep the level of reserves under review. A Reserves policy is in place. At 31st August 2022 the balance of the Academy's Unrestricted Funds was £403,625 and the balance of its Restricted General Funds was £186,107, giving a total revenue reserves of £589,732 (2021: 469,964).

b. Investment policy

In the current financial climate of ongoing uncertainty with regards to energy and staff costs the Academy's policy continues to be to maximise liquidity and minimise risk. This is kept under regular review.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

c. Principal risks and uncertainties

The Academy has undertaken work during the period to establish the system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation. The most significant risks are external factors that have and are still being influenced by politics such as those identified below:

- Government funding for DfE and how it will be distributed to special schools.
- energy cost increases
- outgoings with rising inflation whilst income has seen little (top up funding) or no inflation (placement funding) for a number of years.
- Public sector pay awards above the original recommendations (and in line with inflation) which were used to set the original budget in July 2022.
- Employer's national insurance contributions rise.
- Financial decisions such as pay awards and LA funding that alters in an academic year as it follows a financial tax year whilst we set budgets over an academic year.
- Complexity of predicting and managing multiple income streams over irregular timeframes and payment periods e.g. tax year, academic year, quarterly, monthly, termly.

Underlying rate of inflation and staffing costs:

The Academy is mindful of inflation. We project our 5 year budgets mindful of the national picture: teaching staff pay rates and pension contributions as per national agreements and support staff pay rate increases in-line with government policy on public sector pay. The Academy is mindful of progression within salary grades due to successful appraisal increases costs. Recruitment and retention of skilled SEN staff also increases costs. It is becoming increasingly common for SLTs to decrease in size and for schools to restructure without deputy heads and the like but we must also remain mindful of workforce well-being, work-life balance and quality of provision when considering such options for cutting budget costs.

We are very prudent and are mindful of the need to continue being as efficient as we possibly can be. We carefully monitor our finances, ensure appropriate procurement processes are in place and benchmark regularly as we need to ensure we have reserves to maintain staffing in the classrooms to support the pupils in future years and ensure the budget does not go into overall deficit.

The ASBM now CIPFA qualified.

Fundraising

Governors recognize they must act in the charity's best interest, manage the charity's resources responsibly and act with reasonable skill and care.

The Jolly Boys raised funds for a residential holiday for a group of students in the summer of 2022. They have also raised funds for the refurbishment of our post-16 independent living bungalow where we can provide overnight stays for our students and help to prepare them for life beyond Cavendish.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

Strategic Plans

Quality of Education:

Ensure premises are fit for purpose to support an appropriate range of provision and inspire high expectations and aspirations for all students.

Recruitment and retention a priority area.

Promoting & supporting engagement in action research.

Introduced provision of additional half day non-contact (on top of statutory PPA entitlement) for all teachers to invest time in 'headspace' for innovation and research for pedagogy and best practice and innovation for curriculum subject areas.

Public benefit & Civic Duty:

Trust growth & capacity is a priority area for us. We are currently exploring all options and opportunities for The Cavendish High Academy. Awaiting outcome of local planning decision to see if the LA will be able to build 2 additional rooms to support the needs of the school in terms of being able to provide efficient and effective provision and services.

Working with Chester University to develop future workforce for SEN sector

Supporting placements for students from college and university sectors.

Supporting SSAT Leadership Legacy program

Working with colleagues across working parties of Halton Learning Alliance

Developing bigger picture of SEND provision in Halton

Efficiency & Effectiveness:

Continue to use all of the tools at our disposal from ESFA/DfE to ensure we drive down costs wherever possible.

Moving forward with our Sustainability plans for net zero carbon

Strive to continue to deliver a balanced budget for future years (supported by appropriate financial provision from the LA & ESFA) but recognizing that this requires timely budgeting information by the government.

Continuing strategic re-modelling of the workforce for efficiency and effectiveness; over the past 12 months reduced expenditure on premises staffing, created a Student Support and family liaison Manager role to reduce non-teaching workload of teaching staff.

Workforce Development & Resilience:

Succession planning & distributed leadership. Grow our own: - Supporting engagement with national leadership qualifications through NPQ routes.

Staff retention through support for staff through cost of living crisis. Utilise evidence based research and engage with action research to develop staff resilience. Working with educational psychology to support development of, and sustaining of, resilience in trying times.

Promoting agile & flexible professional development.

Ensure capacity of staffing and sustain outstanding level of provision on both home site and any satellite sites we may be operating on.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 16 December 2022 and signed on its behalf by:

C Howard
Chair of Trustees

A large, stylized handwritten signature in black ink, appearing to read 'C Howard'.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Cavendish High Academy 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 Principal Head Teacher, 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 The Cavendish High Academy 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.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The Board of Trustees has formally virtually 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
C A Howard, Chair of Trustees	6	6
L McMillan, Vice Chair	6	6
Elaine Haver, Principal Ex-officio	6	6
G Price	6	6
E Newton	4	6
M Histon	3	6
D Bridgeman	4	5
J Gregg	4	4
K Harding	3	3

The 2021-2022 academic year saw us recruit 3 new trustees to the governing board. Both bring excellent skill sets with them. However, succession planning and retaining governors remains a challenge long term; usually due to their other work and community/volunteering commitments.

The board has been supported in its work this year with the services of an excellent new clerk. They have kept the trustees abreast of all training opportunities and additional pertinent information. Terms of reference for each of the committees are reviewed annually.

Conflicts of interest

The Academy maintains an up to date and complete register of interests (pecuniary interest). It is a standing item on the board meeting's agenda. The Trust is currently a single trust and as such does not own or control any subsidiaries. If there is any potential conflict of interest in a specific item e.g. procurement of items or services, then the trustee with a potential conflict of interest would withdraw from the meeting for that particular item of business.

Business & Continuity committee

The Business & Continuity committee is a sub-committee of the main board of trustees. Its purpose is to manage & monitor the academy finances: Providing financial oversight, scrutinizing the budget, to ensure value for money, providing an opportunity for detailed discussion and consideration of financial matters, with regular reporting to the full management committee. It may be given delegated authority for some financial decision-making, but the Full Governing Body as a whole remains accountable and must still remain actively engaged in financial matters.

Elisha Newton continues as chair of the business & finance committee as she has extensive experience of financial planning and management as part of her job as a finance director as well as experience of procurement/purchasing and premises/facilities management. Her industry experience is invaluable in terms of comparing education business roles and external business roles.

Governance Reviews

An independent review of governance has been planned to take place before July 2023.

We have established a skills matrix to identify strengths and weaknesses of board members, the information from which will be used as part of the planned review.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Principal has responsibility for ensuring that the Academy 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. We continue to utilize the tools at our disposal to support our benchmarking. More informal benchmarking amongst the MSLD consortium supports the accounting officer's opinion that we are providing very effective value for money.

Post pandemic we are still seeing higher than pre-pandemic staff absence and it is increasingly difficult to get appropriate supply cover.

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

- Improving energy efficiency as certified.
- Reduction in in class costs through continuing with TTO contracts for incoming support staff.
- Not automatically replacing staff who leave and reviewing roles & capacity to reduce overall staffing costs via natural wastage where possible.
- Refining staff roles, teams, roles and responsibilities to ensure most efficient and effective practice.
- Financial benchmarking against similar schools.
- Utilising relevant DfE approved frameworks and tools provided by the ESFA to support excellent school resource management including: Crown Commercial Services, RPA, Teaching Vacancies, Agency Supply Framework.
- Continuing to request appropriate top up funding for EHCP for students.
- Gaining guarantee for over-number placement numbers funding from Local Authority.

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 The Cavendish High Academy for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

The Academy'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 Business Continuity Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance - finance action plan, school development planning
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

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

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

- testing of expenditure systems and controls
- testing of purchasing controls
- testing of bank systems and controls
- testing of payroll systems and controls
- testing of income systems and controls
- testing of fixed assets systems and controls
- testing of governance and compliance
- testing of website compliance
- testing of risk management

Internal scrutiny has taken place termly on site throughout 2021-22.

The auditor will report termly to the board of trustees, through the business continuity audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned and raised the following recommendations:

- There should be an annual review of the board of trustees
- The annual accounts should be uploaded to the trusts website by 31st January
- Review the website to ensure all areas are in line with requirements

The Business Continuity Committee role includes giving advice on financial matters and performs a range of internal checks on the academy trust's financial systems. The Principal Head Teacher, Chair of Governors, and from December 2021 the Chair of the Business Continuity Committee, receive monthly cash flow statements from the Academy's Finance Officer. A budget report is provided on a termly basis (3 x annually) to the board of trustees, through the Business & Continuity Committee as well as reports on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As accounting officer, the Principal Head Teacher (Elaine Haver) 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 Business Continuity committee members;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the internal scrutiny auditor;
- the work of the external auditor;

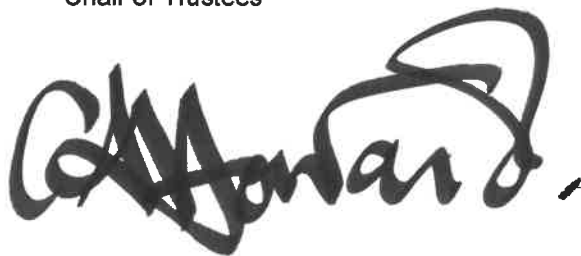
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Business Continuity Committee and also following discussions with the internal auditors an action plan to ensure continuous improvement of the system will be in place for the end of the autumn term 2022.

Approved by order of the members of the Board of Trustees on 16 December 2022 and signed on their behalf by:

C A Howard
Chair of Trustees



E Haver
Accounting Officer



THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Cavendish High Academy I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2021.

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.



E Haver
Accounting Officer
Date: 16 December 2022

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 16 December 2022 and signed on its behalf by:

C A Howard
Chair of Trustees



THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CAVENDISH HIGH ACADEMY**

Opinion

We have audited the financial statements of The Cavendish High Academy (the 'academy') for the year ended 31 August 2022 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 2021 to 2022 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 2022 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 2021 to 2022 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.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CAVENDISH HIGH ACADEMY (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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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.

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.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CAVENDISH HIGH ACADEMY (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:

- We reviewed the susceptibility of the Trust's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Trust's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Trust and its environment and identify any instances of non-compliance.
- We also assessed the Trust's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Trust awareness to carry out our work to the required standard.

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.

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.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CAVENDISH HIGH ACADEMY (CONTINUED)**



Fran Johnson BSc BFP FCA (Senior statutory auditor)

for and on behalf of
WR Partners

Chartered Accountants
Statutory Auditors

Drake House

Gadbrook Park

Rudheath

Northwich

Cheshire

CW9 7RA

16 December 2022

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
CAVENDISH HIGH ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 12 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Cavendish High Academy during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Cavendish High Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Cavendish High Academy 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 The Cavendish High Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Cavendish High Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Cavendish High Academy's funding agreement with the Secretary of State for Education dated 30 January 2014 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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.

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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

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



Reporting Accountant
WR Partners
Chartered Accountants
Statutory Auditors

Date: 16 December 2022

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	-	-	11,483	11,483	22,330
Other trading activities		-	652	-	652	15,720
Investments	6	50	-	-	50	48
Charitable activities		-	2,313,483	-	2,313,483	1,994,545
Total income		50	2,314,135	11,483	2,325,668	2,032,643
Expenditure on:						
Charitable activities	8	-	2,414,505	92,225	2,506,730	2,240,619
Total expenditure		-	2,414,505	92,225	2,506,730	2,240,619
Net income/(expenditure)		50	(100,370)	(80,742)	(181,062)	(207,976)
Transfers between funds	17	-	(100,912)	100,912	-	4,379
Net movement in funds before other recognised gains/(losses)		50	(201,282)	20,170	(181,062)	(203,597)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	2,255,000	-	2,255,000	(570,000)
Net movement in funds		50	2,053,718	20,170	2,073,938	(773,597)
Reconciliation of funds:						
Total funds brought forward		403,575	(1,978,611)	2,238,747	663,711	1,437,308
Net movement in funds		50	2,053,718	20,170	2,073,938	(773,597)
Total funds carried forward		403,625	75,107	2,258,917	2,737,649	663,711

The Statement of financial activities includes all gains and losses recognised in the year.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

The notes on pages 36 to 58 form part of these financial statements.

THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08789220

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	2,258,917	2,243,064
		<u>2,258,917</u>	<u>2,243,064</u>
Current assets			
Debtors	15	55,919	34,579
Cash at bank and in hand		602,526	507,554
		<u>658,445</u>	<u>542,133</u>
Creditors: amounts falling due within one year	16	(68,713)	(76,486)
Net current assets		<u>589,732</u>	<u>465,647</u>
Total assets less current liabilities		<u>2,848,649</u>	<u>2,708,711</u>
Net assets excluding pension liability		<u>2,848,649</u>	<u>2,708,711</u>
Defined benefit pension scheme liability	23	(111,000)	(2,045,000)
Total net assets		<u><u>2,737,649</u></u>	<u><u>663,711</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	2,258,917	2,238,747
Restricted income funds	17	186,107	66,389
		<u>2,445,024</u>	<u>2,305,136</u>
Restricted funds excluding pension asset	17	2,445,024	2,305,136
Pension reserve	17	(111,000)	(2,045,000)
Total restricted funds	17	<u>2,334,024</u>	<u>260,136</u>
Unrestricted income funds	17	403,625	403,575
Total funds		<u><u>2,737,649</u></u>	<u><u>663,711</u></u>

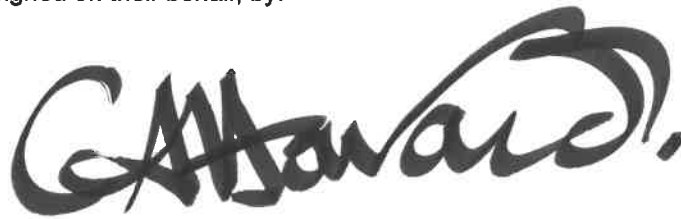
THE CAVENDISH HIGH ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08789220

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 31 to 58 were approved by the Trustees, and authorised for issue on 16 December 2022 and are signed on their behalf, by:

C A Howard

A large, stylized handwritten signature in black ink, appearing to read 'C A Howard'.

The notes on pages 36 to 58 form part of these financial statements.

THE CAVENDISH HIGH ACADEMY
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	19	191,517	77,617
Cash flows from investing activities	20	(96,545)	(4,409)
Change in cash and cash equivalents in the year		94,972	73,208
Cash and cash equivalents at the beginning of the year		507,554	434,346
Cash and cash equivalents at the end of the year	21, 22	602,526	507,554

The notes on pages 36 to 58 form part of these financial statements

THE CAVENDISH HIGH ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

THE CAVENDISH HIGH ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the Academy 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.

- **Donated goods, facilities and services**

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

- **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.

THE CAVENDISH HIGH ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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.

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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 basis over its expected useful life, as follows:

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Freehold property	-	over 50 years
Furniture and equipment	-	33% straight line
Computer equipment	-	10% straight line

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

1.7 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.

1.8 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.

1.9 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.

1.10 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 15. 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 note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

THE CAVENDISH HIGH ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.11 Pensions

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.

1.12 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Restricted fixed asset funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	11,483	11,483	22,330
<i>Total 2021</i>	22,330	22,330	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

4. Funding for the Academy's charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	924,506	924,506	923,755
Other DfE/ESFA grants				
ESFA - Pupil premium	-	42,708	42,708	48,926
Others	-	134,748	134,748	43,777
	-	1,101,962	1,101,962	1,016,458
Other Government grants				
Other local authority grants	-	1,195,750	1,195,750	919,082
Coronavirus JRS scheme	-	-	-	22,800
ESFA Covid catch-up funding	-	-	-	19,590
	-	1,195,750	1,195,750	961,472
Other income from the Academy's educational operations	-	15,771	15,771	16,615
	-	2,313,483	2,313,483	1,994,545
	-	2,313,483	2,313,483	1,994,545
Total 2021	12,223	1,982,322	1,994,545	

5. Income from other trading activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Trading Income	652	652	15,720
Total 2021	15,720	15,720	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank Interest	50	50	48
<i>Total 2021</i>	<i>48</i>	<i>48</i>	

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Educational operations:					
Direct costs	1,377,272	40,501	54,887	1,472,660	1,389,590
Allocated support costs	786,036	128,260	119,774	1,034,070	851,029
	<u>2,163,308</u>	<u>168,761</u>	<u>174,661</u>	<u>2,506,730</u>	<u>2,240,619</u>
<i>Total 2021</i>	<i>1,919,800</i>	<i>172,779</i>	<i>148,040</i>	<i>2,240,619</i>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Educational operations	2,506,730	2,506,730	2,240,619
<i>Total 2021</i>	<i>2,240,619</i>	<i>2,240,619</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	1,472,660	1,034,070	2,506,730	2,240,619
<i>Total 2021</i>	<i>1,389,590</i>	<i>851,029</i>	<i>2,240,619</i>	

Analysis of support costs

	Educational operations 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	786,036	786,036	440,954
Depreciation	51,724	51,724	36,547
Technology fees	26,627	26,627	36,670
Staff expenses	1,820	1,820	206,676
Other staff costs	14,657	14,657	(67,334)
Other costs	45,028	45,028	86,319
Rates	6,183	6,183	6,996
Energy	28,101	28,101	28,924
Spare	64	64	169
Maintenance of premises	45,606	45,606	53,750
Cleaning and caretaking	5,323	5,323	5,961
Security	2,659	2,659	492
Transport	2,071	2,071	91
Legal and professional	1,473	1,473	1,788
Governance costs	16,698	16,698	13,026
	1,034,070	1,034,070	851,029
<i>Total 2021</i>	<i>851,029</i>	<i>851,029</i>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022	2021
	£	£
Operating lease rentals	5,438	4,152
Depreciation of tangible fixed assets	79,002	76,979
Net interest on defined benefit pension liability	36,000	24,000
Fees paid to auditors for:		
- audit	9,500	9,000
- other services	3,670	3,500
	<u>118,610</u>	<u>111,631</u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	1,264,671	1,405,790
Social security costs	120,683	129,359
Pension costs	586,852	310,521
	<u>1,972,206</u>	<u>1,845,670</u>
Agency staff costs	174,655	69,675
Staff development and other costs	16,447	4,455
	<u>2,163,308</u>	<u>1,919,800</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

11. Staff (continued)

b. Staff numbers

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

	2022 No.	<i>2021</i> <i>No.</i>
Teachers	12	<i>13</i>
Administration and support	34	<i>32</i>
Management	3	<i>3</i>
	49	<i>48</i>

c. Higher paid staff

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

	2022 No.	<i>2021</i> <i>No.</i>
In the band £80,001 - £90,000	1	<i>1</i>

d. 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 £406,385 (2021 - £223,330).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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:

		2022 £	2021 £
Elaine Haver, Principal Ex-officio	Remuneration	80,000 - 85,000	80,000 - 85,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000
G Price	Remuneration	0 - 5,000	0 - 5,000
	Pension contributions paid	0 - 5,000	0 - 5,000
M Histon	Remuneration	20,000 - 25,000	20,000 - 25,000
	Pension contributions paid	0 - 5,000	0 - 5,000

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £1,748 (2021 - £1,656). The cost of this insurance is included in the total insurance cost.

14. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2021	2,682,317	204,299	90,904	2,977,520
Additions	-	77,069	31,009	108,078
Disposals	-	(41,661)	(3,056)	(44,717)
At 31 August 2022	2,682,317	239,707	118,857	3,040,881

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

14. Tangible fixed assets (continued)

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
Depreciation				
At 1 September 2021	559,064	103,761	71,631	734,456
Charge for the year	50,626	18,157	10,219	79,002
On disposals	-	(31,105)	(388)	(31,493)
At 31 August 2022	<u>609,690</u>	<u>90,813</u>	<u>81,462</u>	<u>781,965</u>
Net book value				
At 31 August 2022	<u>2,072,627</u>	<u>148,894</u>	<u>37,395</u>	<u>2,258,916</u>
At 31 August 2021	<u>2,123,253</u>	<u>100,538</u>	<u>19,273</u>	<u>2,243,064</u>

15. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	11,809	-
Other debtors	16,011	12,329
Prepayments and accrued income	28,099	22,250
	<u>55,919</u>	<u>34,579</u>

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	26,073	43,119
Other creditors	2,765	469
Accruals and deferred income	39,875	32,898
	<u>68,713</u>	<u>76,486</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

17. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	403,575	50	-	-	-	403,625
Restricted general funds						
General Annual Grant (GAG)	66,389	924,506	(823,876)	(100,912)	-	66,107
Pupil Premium	-	42,708	(42,708)	-	-	-
Other DfE/ ESFA Grants	-	1,207,366	(1,087,366)	-	-	120,000
Other Government Grants	-	138,903	(138,903)	-	-	-
Other Restricted Fund	-	652	(652)	-	-	-
Pension reserve	(2,045,000)	-	(321,000)	-	2,255,000	(111,000)
	(1,978,611)	2,314,135	(2,414,505)	(100,912)	2,255,000	75,107
Restricted fixed asset funds						
DfE Group Capital Grants	2,238,747	11,483	(92,225)	100,912	-	2,258,917
Total Restricted funds	260,136	2,325,618	(2,506,730)	-	2,255,000	2,334,024
Total funds	663,711	2,325,668	(2,506,730)	-	2,255,000	2,737,649

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

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

General Annual Grant

This represents the balance remaining from core funding provided by the ESFA for the school's core educational activities.

Pupil Premium

Pupil premium is funding to improve education outcomes for disadvantaged pupils.

Under the funding agreement with the secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Other Government Grants

This fund represents the income and expenditure from the local authority SEN top up funding.

Pension Reserve

This is the Local Government Pension Scheme deficit attributable to the school and is derived from the report of the actuary produced as at 31 August 2022.

Fixed Asset Restricted Fund

This represents the value of fixed assets shown on the balance sheet. The assets underlying the fund are the Trust's land and buildings, furniture, fixtures and computer equipment.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

17. Statement of funds (continued)

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Unrestricted funds					
General Funds - all funds	391,172	12,599	(196)	-	403,575
Restricted general funds					
General Annual Grant (GAG)	47,244	923,755	(891,485)	(13,125)	66,389
Pupil Premium	-	48,926	(48,926)	-	-
Other Dfe/ ESFA Grants	-	60,088	(60,088)	-	-
Other Government Grants	-	961,472	(961,472)	-	-
Pension reserve	(1,277,000)	-	(198,000)	(570,000)	(2,045,000)
Other restricted general funds	-	3,473	(3,473)	-	-
	<u>(1,229,756)</u>	<u>1,997,714</u>	<u>(2,163,444)</u>	<u>(583,125)</u>	<u>(1,978,611)</u>
Restricted fixed asset funds					
DfE Group Capital Grants	2,275,892	22,330	(76,979)	17,504	2,238,747
Total Restricted funds	<u>1,046,136</u>	<u>2,020,044</u>	<u>(2,240,423)</u>	<u>(565,621)</u>	<u>260,136</u>
Total funds	<u>1,437,308</u>	<u>2,032,643</u>	<u>(2,240,619)</u>	<u>(565,621)</u>	<u>663,711</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	(75,107)	75,107	2,258,917	2,258,917
Current assets	658,445	-	-	658,445
Creditors due within one year	(68,713)	-	-	(68,713)
Provisions for liabilities and charges	(111,000)	-	-	(111,000)
Total	403,625	75,107	2,258,917	2,737,649

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	2,243,064	2,243,064
Current assets	462,619	79,514	-	542,133
Creditors due within one year	(59,044)	(13,125)	(4,317)	(76,486)
Provisions for liabilities and charges	-	(2,045,000)	-	(2,045,000)
Total	403,575	(1,978,611)	2,238,747	663,711

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

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(181,062)	(207,976)
Adjustments for:		
Depreciation	79,002	76,979
Capital grants from DfE and other capital income	(11,483)	(22,330)
Interest receivable	(50)	(48)
Defined benefit pension scheme cost less contributions payable	285,000	174,000
Defined benefit pension scheme finance cost	36,000	24,000
Decrease/(increase) in debtors	(21,339)	17,094
Increase/(decrease) in creditors	(7,774)	15,898
Loss on disposal of fixed assets	13,223	-
Net cash provided by operating activities	191,517	77,617

20. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	50	48
Purchase of tangible fixed assets	(108,078)	(26,787)
Capital grants from DfE Group	8,759	8,480
Capital funding received from sponsors and others	2,724	13,850
Net cash used in investing activities	(96,545)	(4,409)

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	602,526	507,554
Total cash and cash equivalents	602,526	507,554

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22. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	507,554	94,972	602,526
	<u>507,554</u>	<u>94,972</u>	<u>602,526</u>

23. 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 Cheshire Pension Fund. Both are multi-employer defined benefit schemes.

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

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

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.

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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% 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 £68,310 (2021 - £101,926).

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.

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 2022 was £187,000 (2021 - £174,000), of which employer's contributions totalled £144,000 (2021 - £134,000) and employees' contributions totalled £ 43,000 (2021 - £40,000). The agreed contribution rates for future years are 14-18 per cent for employers and 5.5-12.5 per cent for employees.

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

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23. Pension commitments (continued)

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.75	3.6
Rate of increase for pensions in payment/inflation		2.9
Discount rate for scheme liabilities	4.25	1.7
Inflation assumption (CPI)	3.05	2.9
Commutation of pensions to lump sums	50.0	50.0

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.2	21.4
Females	23.8	24.0
<i>Retiring in 20 years</i>		
Males	22.1	22.4
Females	25.5	25.7

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	(73)	(124)
Discount rate -0.1%	73	124
Mortality assumption - 1 year increase	117	195
Mortality assumption - 1 year decrease	(117)	(195)
CPI rate +0.1%	65	108
CPI rate -0.1%	(65)	(108)

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23. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2022 £	<i>At 31 August 2021 £</i>
Equities	1,374,940	1,307,000
Property	364,780	284,000
Cash and other liquid assets	168,360	-
Other	-	57,000
Bonds	897,920	1,194,000
Total market value of assets	2,806,000	2,842,000

The actual return on scheme assets was £213,256 (2021 - £320,000).

The amounts recognised in the Statement of financial activities are as follows:

	2022 £	<i>2021 £</i>
Current service cost	(429,000)	(308,000)
Interest income	48,000	41,000
Interest cost	(84,000)	(65,000)
Total amount recognised in the Statement of financial activities	(465,000)	(332,000)

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

	2022 £	<i>2021 £</i>
At 1 September	4,887,000	3,625,000
Interest cost	84,000	65,000
Employee contributions	43,000	40,000
Current Service Cost	429,000	308,000
Actuarial (gains)/losses	(2,526,000)	849,000
At 31 August	2,917,000	4,887,000

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23. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	2,842,000	2,348,000
Interest income	48,000	41,000
Employee contributions	43,000	40,000
Actuarial Gains	(271,000)	279,000
Employer Contributions	144,000	134,000
At 31 August	2,806,000	2,842,000

24. Members' liability

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

25. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.