

Company Registration Number: 08058921 (England & Wales)

The Collegiate Trust
(A company limited by guarantee)

Annual report and financial statements
for the year ended 31 August 2022



The Collegiate Trust
(A company limited by guarantee)

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Reference and administrative details

Members	Mr S Chaudhri Mr P R Hogan Mrs S Lewis Mr W Whitmarsh Mrs T Farrelly (appointed 15 June 2022)
Trustees	Ms J Akala (Maternity leave 01/01/2022 - 10/07/2022) Mr K Beattie Mr P R Hogan, Chair Mrs F McSorley Mr T Rodwell Mr S Rowley Mr G Smith, Chief Executive & Accounting Officer (resigned 31 August 2022) Mr M Whittaker (resigned 31 August 2022) Mr D Butler (appointed 31 January 2022) Mr S Dey, Chief Executive & Accounting Officer (appointed 1 September 2022) Mrs M Hayden (appointed 31 January 2022)
Company registered number	08058921
Company name	The Collegiate Trust
Principal and registered office	Riddlesdown Collegiate Honister Heights Purley Surrey CR8 1EX
Company secretary	Mr D Clarke
Chief executive officer	Mr G Smith (until 31/08/2022) Mr S Dey (from 1/09/22)
Senior management team	Mr G H Smith (resigned 31/08/2022), Chief Executive Officer & Accounting Officer Mr S Dey (appointed 01/09/2022), Chief Executive Officer & Accounting Officer Mr D Clarke, Company Secretary & Chief Operating Officer Mrs L Dey, Chief Finance Officer Mrs K Turner (resigned 31/08/2022), Director of Education Mrs L Bruce (appointed 01/09/2022), Director of Education Mr S Dey (resigned 31/08/2022), Principal - Riddlesdown Collegiate Mrs K Turner (appointed 01/09/2022), Principal - Riddlesdown Collegiate Mrs S Dunne, Principal - Gossops Green Dr H Hope, Principal - Waterfield Primary School Mr A Crofts, Principal - Quest Academy Mr T Beecham (appointed 01/09/2022), Head of School - Quest Academy Mr P Thomas (resigned 31/08/2022), Principal - Quest Primary School (formerly Gilbert Scott Primary School) Miss J Stawman (appointed 01/09/2022), Head of School - Quest Primary School (formerly Gilbert Scott Primary School) Mr A Crofts, Executive Principal - Quest Primary School (formerly Gilbert Scott Primary School) Mrs D Dixon, Principal - Kenley Primary School Mrs N Grant, Principal - Courtwood Primary School

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Reference and administrative details (continued)
for the year ended 31 August 2022

Independent auditors	Kreston Reeves LLP Statutory Auditor Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU
Bankers	Lloyds Bank 95 George Street Town Centre Croydon CR9 2NS
Solicitors	Veale Wasbrough Vizards LLP Barnards Inn 86 Fetter Lane London EC4A 1AD
Member Schools	Riddlesdown Collegiate Gossops Green Primary School Waterfield Primary School The Quest Academy Courtwood Primary School Quest Primary School (formerly Gilbert Scott Primary School) Kenley Primary School (from 1 September 2021)

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Executive Summary
for the year ended 31 August 2022

The chairman presents his statement for the year.

The Collegiate Trust (TCT) continues to be a strong, successful and growing organisation, making a clear difference to our pupils, students and families, and establishing a reputation as an employer of choice. In the first set of national tests and public examinations taken since the disruption of the pandemic, pupils and students across the Trust achieved very well. Our schools have restored their usual programmes of learning inside and outside of the classroom. However, the impact of the pandemic has continued to be felt with staff and pupil absence remaining higher than pre-pandemic levels and much additional work being undertaken to support educational recovery, personal development and wellbeing.

Over the course of 2021/22, TCT has:

- Maintained strong and improving standards across all phases and in each school
- Enhanced the partnership work across schools that is delivering these improving standards
- TCT has welcomed Kenley Primary School to our family of schools from 1 September 2021
- Implemented Capital Plan and IT Strategy within agreed budget and to agreed schedule
- Continued to deliver a balanced budget and maintained strong financial health, despite the challenges of the pandemic and the cost of living crisis
- Developed the Activity strand of its Growth Strategy by providing professional services to schools outside of TCT and by delivering a series of professional learning programmes, including NPQ accreditation as a delivery partner for UCL



Chair of Trustees

Date: 14 December 2022

The Collegiate Trust
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Trustees' report
for the year ended 31 August 2022

Introduction

The Trustees of The Collegiate Trust ("the Trust", "TCT") present this Annual Report together with the Financial Statements and Auditors' Report of the charitable company for the year beginning 1st September 2021 and ending 31st August 2022. This Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

TCT operated five primary and two secondary schools in the London Borough of Croydon and in West Sussex in the year covered by this report, with Kenley Primary (in Croydon) joining the Trust most recently on 1st September 2021. Kenley Primary is a one-form primary with 191 on roll, and has begun to work closely with other schools within the Trust, particularly with other Croydon primary schools and Riddlesdown Collegiate as its nearest Trust school. These seven schools have a combined pupil capacity of 4,765 and had a roll of 4,516 in the school census in October 2022. Two of the primary schools operate nursery provision, two of the primary schools include an Enhanced Learning Provision (ELP) and both secondary schools offer post-16 provision.

Structure, Governance and Management

Constitution

TCT 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 Trust. The Trustees of TCT are also the directors of the charitable company for the purposes of company law. The charitable company is also known as The Collegiate Trust.

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

Members' Liability

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

Trustees' Indemnities

The Trust indemnifies Trustees through the Risk Protection Arrangement.

Method of Recruitment and Appointment or Election of Trustees

Members appoint by ordinary resolution six trustees. Trustees co-opt three further trustees to ensure a correct balance of skill.

Policies and Procedures Adopted for the Induction and Training of Trustees

New Trustees are issued with a detailed Induction Pack, which includes required online training modules; they are supported by the Trust's Governance Manager. Trustees can access on-going training through NGA, Academy Ambassadors and Octavo Partnership. The Trust holds an annual Governance Day which brings together Members, Trustees and Local Governors.

Trustees complete an annual Skills Audit which informs training plans.

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Trustees' report (continued)
for the year ended 31 August 2022

Organisational structure

TCT is a multi-academy trust.

The CEO is the Accounting Officer of the Trust. He works with an Executive Team made up of COO, CFO and Director of Education who are joined by the Principals of each academy (and other key senior staff, as appropriate) to develop short- and medium-term plans for the management and development of the Trust.

The Members have delegated the strategic leadership and monitoring of the Trust to a Board of nine Trustees / Directors ("the Board").

In September 2021, the Board reviewed its approach to managing audit and finance issues and decided to keep the finance and audit oversight in one Committee, renaming this committee the Audit, Risk & Finance Committee. The Learning and Quality Committee (LQC) continued in 2021/22 to exercise oversight of educational standards across the Trust.

Each school in the Trust has a Local Governing Body (LGB) which operates through a Scheme of Delegation and Terms of Reference approved by the Board.

Arrangements for setting pay and remuneration of key management personnel

CEO

The CEO is paid on a 5-point scale as shown in the contract of employment; no other benefits (other than a mobile phone, laptop and travel expenses) were paid to the CEO in 2021/22 (other than employer's contributions to the Teachers' Pension Scheme).

The CEO is subject to an annual performance review, conducted by a subcommittee of non-executive Board members. In reviewing performance and salary, this Performance & Remuneration Committee (PRC) considers:

- Educational outcomes across the Trust
- Leadership of the Trust
- Growth and complexity of the Trust

This is within the context of the Trust's annual Strategic Plan and agreed Trust objectives. This subcommittee makes a recommendation to the full Board – from which discussion the CEO is excluded – about quality of performance and salary level.

Executive Team

Members of the Executive Team (COO, CFO & Director of Education) are paid on a 5-point range within the national Leadership Scale. These staff are subject to an annual performance review, conducted by the CEO (except in the case of the CFO whose performance and salary will now be reviewed by the Chair of the Board as part of the mitigation of conflict that arises as a consequence of the new CEO and the CFO being married to each other). The outcomes of this and decisions on salary are reported to the Trust PRC.

Principals

Each Principal is paid on a 7-point range within the *Leadership Scale* which may be amended in line with provisions within STPCD. Each Principal is subject to an annual performance review, conducted by a subcommittee of two LGB members, advised by the CEO or his nominee on the LGB. In reviewing performance and salary, this committee considers:

- Educational outcomes in the school
- Leadership of the school
- Contribution as a leader across the wider Trust

This subcommittee makes a recommendation to the full LGB – from which discussion the Principal is excluded – about quality of performance and salary level.

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Trustees' report (continued)
for the year ended 31 August 2022

Trade union facility time

Relevant union officials

Number of Employees who were relevant union officials during the relevant period	2
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Full-time equivalent number employee number	1
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Percentage of time spend on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£11,727
Provide the total pay bill	£16,879,936
Percentage of the total pay bill spent on facility time	0.07%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0.06%
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Related Parties and other Connected Charities and Organisations

TCT owns 100% of the share capital of The Collegiate Trust Trading Limited ("the Trading Company"). The Trust provides management support through the Executive Team; no financial support is provided. Surpluses and profits from the Trading Company which are subject to corporation tax are made as a charitable donation to the Trust.

The Trust has considered value for money when making changes to catering contracts, including benchmarking costs against external suppliers and most importantly the quality of meals provided to pupils and students.

The former CEO continued as a Director of the Croydon Headteachers' Association Limited until 31st August 2022. He also sits as an Independent Member on the Finance Committee of AQA Exam Board. These are voluntary and unremunerated positions for the benefit of wider education provision. The former CEO is also the sole owner and Director of Education-Leadership Ltd, a company which began to trade on 28th October 2021.

The new CEO is a Director of the Croydon Headteachers' Association Limited and of Riddlesdown CRe8 Limited. He is also a governor at Croydon College. These are also voluntary and unremunerated positions for the benefit of wider education provision.

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Trustees' report (continued)
for the year ended 31 August 2022

Engagement with employees (including disabled persons)

The Trust recognises and values our duty under the Equality Act 2010 to eliminate discrimination, advance equality of opportunity and foster good relations in regard to age, disability, ethnicity, gender, religion and sexual identity. This is set out in the Trust's Equalities Policy & Statement of Objectives. This includes;

- Compliance with the public sector equality duty (PSED) set out in clause 149 of the Equality Act 2010
- Provision of equality of opportunity for all and ensuring that all stages of recruitment and selection are fair
- Job descriptions, person specifications and advertisements do not discriminate against disabled persons, either directly or indirectly
- Disabled persons who are judged by the manager/panel to meet all essential shortlisting criteria must be included on the shortlist
- Decisions as to who is the best person for the job should be taken on the basis of the criteria in the person specification alone
- Once the panel has selected the best candidate(s) for the post they should consider the effect of the disability and determine whether it can be overcome by adaptation of the working environment at a reasonable cost
- All new members of staff are required to complete a health questionnaire and submit this to the Occupational Health Services (OHS). OHS in its report recommends any adjustments required for the individual. Adaptations may include adjustments to the working arrangements of the existing team where appropriate
- If a current member of staff becomes disabled or experiences a change in their pre-existing disability, the Trust will consider and implement reasonable adjustments to enable the colleague to continue in their role. As part of this, a referral to OHS may be initiated if further assessment is required
- The Trust considers and reviews the developmental needs of disabled colleagues regularly and provides relevant training and support in this respect.
- Disability must not prevent colleagues from getting promoted and they should be given the same opportunities as others. We regularly analyse salary levels and comparisons, applications and promotion opportunities to ensure that there are no anomalies or barriers to equality.

The Trust has an established system for consulting with employees on a regular basis on matters which affect them. Standard practices include:

- Weekly staff briefing meetings
- Team meetings
- 1:1 with line managers
- Interim and annual staff appraisal process for formal feedback on performance
- Following appropriate policies and ACAS guidelines for any change management, such as amendments to contracts of employment.

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

In accordance with the Companies (Miscellaneous Reporting) Regulations 2018, the Trust has demonstrated how it has promoted the need to foster good business relationships with suppliers, customers and other stakeholders.

All engagement with suppliers, customers and others in a business relationship are conducted in accordance with the Trust's Financial Policy and Procedures and after any potential impacts and risks have been assessed and mitigated. Engagement is only considered in the best interests of the Trust and its stakeholders.

The Trust's aim is to utilise its resources effectively to provide exceptional education to all and to provide a safe and healthy environment in which to do so. The long-term financial sustainability is key to decision-making, particularly in response to the challenging conditions of the past year.

The Trust aims to conduct all its business relationships with high levels of integrity and courtesy.

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Trustees' report (continued)
for the year ended 31 August 2022

Objectives and Activities

Objects and Aims

TCT exists to improve education in Croydon and Crawley for children and young people up to the age of eighteen, thereby preparing them from an early age to be successful adults. We have built a local partnership of seven schools which work collaboratively to deliver our vision of exceptional education for all.

We define an exceptional education as one that delivers wonderful academic learning and progress, but puts right alongside this the development of wider skills and qualities that come through a balanced focus on creative, cultural and physical learning, as well as personal development.

This is driven by strong LGBs in each school operating to a clear scheme of delegation; working with an expert principal and team of staff. The successful learners developed in our schools become confident individuals and responsible citizens in our modern British society.

Objectives, Strategies and Activities

The Trust Board approved a set of *Strategic Drivers* for 2019-2022 to guide our work. These are:

- Educational Standards
- Staff Development
- Building Leadership
- Recruitment & Retention
- Business Management

Each of these drivers was delivered through a set of agreed actions in the Trust *Action Plan*, with key outcomes identified across the Trust and within each school; however, the Trust's work was significantly altered during the year as a result of the COVID-19 pandemic.

Public Benefit

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

Each school within the Trust has its own specific admissions arrangements, which are set in line with the Statutory Admissions Code. Most pupils and students live locally to our schools.

Strategic Report

Achievements and Performance

External assessment in primary and secondary schools resumed in 2022 for the first time since the pandemic. Outcomes demonstrate good progress, with GCSE, A Level & BTEC students securing excellent future pathways, including Russell Group and Oxbridge entrants.

Trustees' report (continued)
for the year ended 31 August 2022

2022	GCSE				A Level			
	4EM	5EM	Att8	P8	A*-A	A*-B	A*-C	A*-E
Riddlesdown Collegiate	83%	70%	56.66	+0.32	35%	66%	85%	99.5%
The Quest Academy	61%	45%	43.02	-0.24	13%	38%	69%	99.2%

2022	KS2 Expected Standard			
	Reading	Writing	Maths	RWM
Courtwood	86.7%	80.0%	90.0%	80.0%
Kenley	65.2%	60.9%	82.6%	52.2%
Gilbert Scott	66.7%	52.4%	28.6%	28.6%
Gossops Green	77.3%	67.0%	73.9%	59.1%
Waterfield	75.0%	71.4%	66.1%	58.9%

OFSTED

Waterfield Primary School and Riddlesdown Collegiate were inspected in 2021/22 under Section 8. No new judgements were made and therefore they remain GOOD and OUTSTANDING schools respectively.

Continued Impact of COVID-19

Since September 2021, there have been no further forced school closures, nor has there been a requirement to operate under strict systems of control. However, there have continued to be periods of wearing face masks in lessons and both staff and pupil absence have continued to be higher than previous pre-pandemic levels.

Schools have made effective use of catch-up funding to support educational recovery and the restoration of a full programme of learning.

Growth of the Trust

The Trust's Growth Strategy, as approved by the Board in spring 2021, has three clear interlocking themes, focusing on growth as an organisation as much as on the scale of the organisation. We refer to these themes as our growth hierarchy.

The foundation of our hierarchy, the most important part of our growth agenda, is **COHESION** between our schools. This does not mean all doing the same but focuses on the development of new expertise through collaborative work – the partnership dividend.

The middle layer of our hierarchy covers the **ACTIVITY** that we choose to deliver ourselves in order to guarantee quality. This ranges from staff development and training to our catering and IT services. It also includes the provision of professional services, including finance and governance to schools outside of the Trust.

SCALE is at the top of the hierarchy, not because it is the most important but because it is the most visible aspect of growth. We are looking for the right partners to join our Trust, schools that will add value and achieve benefit from working with like-minded colleagues. We have ambitions to grow to 12-15 schools by 2025. In 2021/22, the size of the school increased by one school.

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Trustees' report (continued)
for the year ended 31 August 2022

Key Financial Performance Indicators

The Trust's financial position is under ongoing review; monthly management accounts are provided to each academy Principal, with consolidated Trust accounts provided to Trustees and considered at the Audit, Risk & Finance Committee and Trust Board at least six times a year. The key financial performance measure is to set and then to deliver a balanced budget.

To support this work, the percentage of staff costs in proportion to total income and the average teacher cost are monitored through our approach to integrated curriculum and financial planning. Further, self-assessment toolkits for each academy provide RAG ratings against which benchmarking can be performed. The results are used alongside non-financial performance indicators to make informed decisions on the direct impact of teaching and learning.

The financial performance of The Collegiate Trust Trading Limited is monitored through monthly management accounts and measured against the budget set for the year

Going Concern

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

The performance during the year was in line with the budget plan and projections and a small surplus was achieved through effective use of resources.

Despite the impact of the pandemic, only one school required a small input from reserves to continue to fund daily operational activities through the year.

The budget projections for the next three years show the Trust in a position to achieve an overall surplus position in each year.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting Success

The Board of Trustees understands its obligation to act in a way most likely to promote the success of the Trust. In doing so, the Board has regard to:

- the likely consequences of any decision in the long term
- the interests of the Trust's employees
- the need to foster the Trust's business relationships with suppliers, stakeholders and others
- the impact of the Trust's operations on the community and the environment
- the desirability of the Trust maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the Trust

In practice, therefore, the Board aligns its decision-making with the Trust's Strategic Plan and adopts policies (e.g. Appraisal & Capability Policy, Salary Policy, Grievance Policy & Procedures) which enable the Trust to promote success.

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Trustees' report (continued)
for the year ended 31 August 2022

Financial Review

The Trust adheres to the requirements of the *Academy Trust Handbook* (ATH). The Trust's *Financial Policy and Procedures* informs day-to-day practice.

The financial performance of the Trust for the period ending 31st August 2022 is as follows:

In-year surplus / (deficit)	£827,390
Before fixed asset fund and pension reserve	
Reserves – restricted	£61,739,040
Reserves – unrestricted	£1,486,797

The majority of income that the Trust receives is from the ESFA in the form of recurrent grant funding. The use of this funding is restricted to educational purposes. All grants received during the year are shown in the Statement of Financial Activities.

In the year ending 31st August 2022 total expenditure of £31,393,913 was covered by the grant funding with additional incoming resources.

At 31st August 2022 the net book value of fixed assets was £62,011,199 and movements are shown in note 14. All assets are used primarily for providing education and associated support services to the pupils and students of the Trust.

The year ended 31st August 2022 was another challenging year with rising costs and some continued loss of operational activities. Despite these challenges, the Trust has maintained its financial stability and met all statutory obligations.

The Trust's employees belong to two principal pension schemes: The Teachers' Pension Scheme England and Wales (TPS) and the Local Government Pension Scheme (LGPS). Both are defined benefit pension schemes and actuarial gains and losses for both are recognised in the year in which they occur. The outstanding liability for the LGPS reported in the financial statements is guaranteed to be met by the Department for Education in the event of academy closure.

The trading company performed better than expected, having returned to a more normal level of service post-Covid-19. The company made a profit of £61,042 in the year, adding to its small reserve position to create a net asset position of £61,539 at 31st August 2022. A donation from these profits is expected to be paid to the Trust.

Reserves Policy

The Trust operates annually to a balanced budget, uses reserves to support multi-year payback investment activity, builds and maintains adequate reserves to enable the Trust Board to ensure continuity of operation in event of unmitigated / unforeseen risks.

The Trust has committed to maintain (or restore) a cash reserve of 5% of the gross General Annual Grant income.

In 2020/21, it was agreed that a proportion of reserves could be utilised to finance an extension project to support increasing student numbers. This was agreed to be a short-term loan to be repaid as lagged funding for the additional students is received. This loan has already been repaid in full.

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Trustees' report (continued)
for the year ended 31 August 2022

Investment Policy

The Trust holds no investments other than funds held in the Trust's bank accounts.

Principal Risks and Uncertainties

The Trust has identified four areas of risk: strategic (St), operational (Op), compliance (Co), financial (Fi). Details of these risks are set out in the Risk Management Plan which is overseen by Audit, Risk & Finance Committee. The following table summarises the areas of risk which are currently (October 2022) managed through the plan:

Ref	Risk
St1	The <i>Strategic Plan</i> is not a relevant and robust response to the needs of the Trust
St2	The Trust seeks to grow without a clear rationale
St3	The Trust does not plan effectively to manage the conflict of interest arising following the appointment of the CEO
St4	Individual academies do not recruit sufficient learners to make them viable
St5	The <i>Development Plans</i> of individual academies are not relevant to the needs of the academies.
St6	The Trust Board does not have a robust organisational approach in place to deliver effective local governance of each academy
St7	The CEO or an academy Principal is absent for a prolonged period of time
St8	Effective <i>Due Diligence</i> not carried out before growth of TCT
St9	Quality of work in the two primary ELPs not high
Op1	Management Information (on T&I) produced by individual academies is of a poor quality and is inadequate for informing decision-making
Op2	The Trust has insufficient Directors who possess the capacity, skills and experience required to run the Trust
Op3	School staff at key levels do not possess the skills and experience required to lead and manage the academies
Op4	The Trust fails to manage its growth and development effectively
Op5	Quality assurance work does not effectively identify areas of weakness and strength
Op6	The Trust has inadequate insurance cover
Op7	The Trust suffers a catastrophic IT failure
Op8	The Trust suffers major damage to or loss of a site
Op9	Individual schools do not have sufficient quality teaching staff or curriculum leaders to deliver the curriculum
Co1	The Trust does not comply with employee legislation
Co2	The Trust does not comply with financial reporting requirements
Co3	The Trust does not comply with GDPR, Data Protection and FOI requirements
Co4	The Trust does not comply with safeguarding requirements
Co5	The Trust does not have an effective system of controls to break transmission of coronavirus
Co6	Not currently used
Co7	Not currently used
Fi1	The Trust does not maintain overall financial control in relation to its income and expenditure
Fi2a	The <i>Budget Plan</i> does not provide a realistic or effective response to the income or needs of the Trust
Fi2b	The Trust does not respond effectively to falling or static income
Fi2c	Income falls unexpectedly or income targets not achieved eg. as a result of lockdown
Fi2d	Planned expansion of Trading Company creates greater risk in the event of trading opportunities being curtailed by lockdown
Fi3	The financial systems of the Trust are not suitable and maintained
Fi4	There is no adequate <i>Disaster Recovery Plan</i> in place in relation to the Trust's financial systems
Fi5	The Trust fails to anticipate risk of adequate funding of pensions
Fi6	The Trust is unable to prevent fraud
Fi7	Energy costs outstrip budgeted levels
Fi8	Cost of living settlements for teachers and support staff outstrip budgeted provision

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Trustees' report (continued)
for the year ended 31 August 2022

Fundraising

The Trust does not undertake any fundraising through commercial or professional fundraisers.

Each school within the Trust raises a limited amount of funds through voluntary parental donations and through school events. All such funds are recorded in the Trust's finance system.

Streamlined Energy and Carbon Reporting

Quantification and reporting methodology:

The report is in accordance with the 2019 HM Government Environmental Reporting Guidelines and has been prepared using the GHG Reporting Protocol – Corporate Standard and the 2022 UK Government conversion factors for Company Reporting.

Intensity measurement:

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

Measures taken to improve energy efficiency:

The Trust has continued to use video conferencing technology for staff meetings where appropriate and continued to upgrade a programme of energy efficient LED light fittings across the Trust.

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Trustees' report (continued)
for the year ended 31 August 2022

UK Greenhouse gas emissions and energy use
data for the period 1 September 2021 - 31
August 2022

	Current Reporting year 2021/22	Comparison reporting year 2020/21
Energy consumption used to calculate emissions (kWh)	3,982,952	5,160,706
Energy consumption break down (kWh):		
- Gas	2,186,255	3,658,156
- Electricity	1,779,681	1,488,667
- Transport fuel	6,242	7,826
Scope 1 emissions in metric tonnes CO2e		
Gas consumption	400.43	670.03
Transport - mini-buses	1.13	1.41
Total Scope 1	401.56	671.44
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	377.88	316.09
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	2.60	1.46
Total gross emissions in metric tonnes CO2e	782.04	988.99
Intensity ratio Tonnes CO2e per pupil	0.18	0.24

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Trustees' report (continued)
for the year ended 31 August 2022

Plans for Future Periods

The newly appointed CEO took up post on 1.9.2022.

The Trust will continue to implement actions to deliver on the Strategic Drivers outlined in page 8, Objectives, Strategies and Activities. These drivers have informed the TCT Strategic Plan 2019 – 2022 and are now subject to a review under the leadership of the new CEO.

TCT will grow with careful thought and planning in the coming years, to ensure that growth continues to add value to our work; this will be in line with the Growth Plan outlined earlier in the report.

Funds held as Custodian Trustee on behalf of others

The Trust holds funds on behalf of the Croydon Headteachers' Association (CHTA). This supports the development of educational aims across Croydon. The funds are held in a dedicated bank account which is recorded on the Trust's system. CHTA is an incorporated organisation with its own set of Directors, who are accountable for these funds.

Political donations

The Trust made no political donations in 2021/22.


Auditor

Insofar as the Trustees are aware:

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

The auditor, Kreston Reeves LLP, has indicated its willingness to continue in office. The Trustees will propose a motion re-appointing the auditor at a meeting of the Members.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2022 and signed on its behalf by:



Mr P R Hogan
Chair of Trustees

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Governance Statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO 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 Collegiate Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 7 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
Ms J Akala (Maternity leave 01/01/2022 - 10/07/2022)	3	4
Mr K Beattie	4	7
Mr D Butler (appointed 9 Feb 2022)	4	4
Mrs M Hayden (appointed 9 Feb 2022)	4	4
Mr P R Hogan	7	7
Mrs F McSorley	7	7
Mr T Rodwell	6	7
Mr S Rowley	5	7
Mr G Smith (resigned 31 Aug 2022)	7	7
Mr M Whittaker (resigned 31 Aug 2022)	4	7

Members made the decision to increase the Board to nine Trustees in May 2019 to reflect the growth of the Trust and provide additional capacity.

The Board ensures clarity of vision, ethos and strategic direction of the Trust and holds the CEO to account for the educational and financial performance of the organisation.

Declaration of Interest forms, including related party information and conflicts of interest, are completed annually by the Members, Trustees, Local Governors, Senior Executives, Senior Leadership Team and any staff managing budgets. These forms are held centrally by the Governance Manager. A Register of Interest is collated for Members, Trustees and Local Governors and published on the Trust's website. This is managed and updated throughout the year by the Governance Manager. This register and specific information are shared with Clerks of the Local Governing Body so that they are able to identify any potential, actual or perceived conflicts which can then be avoided or appropriately managed at meetings. At any governance meeting, there is a standing agenda item for any Member, Trustee or Local Governor to declare any interest in the meeting. Conflicts of interest of Trustees are managed in line with articles 97 & 98.

The conflict of interest identified by the new CEO and CFO being married has been discussed confidentially and in detail by the Trust Board. Supported by legal and regulatory advice, appropriate measures have been put in place to mitigate any conflict arising from this relationship and to ensure absolute transparency.

The Collegiate Trust
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Governance Statement (continued)

(continued)

At the end summer term 2022 all Trustees completed a self-evaluation which highlighted areas for development to improve the Board's performance. Over the year the Board's main priorities have been to oversee all children returning to pre-COVID-19 levels of education through utilising the catch-up funding efficiently and effectively, that safeguarding is paramount and consistent across all areas of the Trust and that there is a key focus on the wellbeing of staff and children at The Collegiate Trust.

Trustees receive:

- Monthly management accounts from the Chief Finance Officer
- Termly data dashboards from the Director of Education
- Termly CEO report
- Annual Evaluation Reports from each school
- Annual Development Plan from each school
- Teaching, Learning & Leadership Reviews on those schools on which completed from the Director of Education

Committees

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

- oversee all aspects of finance, risk and audit arrangements of the Trust.
- contribute to those aspects of the Trust's Strategic Plan that affect the deployment of financial or other capital resources and subsequently to ensure they are used effectively and efficiently
- review, on behalf of the Board of Directors, those statutory policies and procedures which fall within the remit of the Committee and to recommend their approval to the Board.

Attendance during the year at meetings of the ARFC was as follows:

Trustee	Meetings attended	Out of a possible
Ms J Akala (maternity leave 1/1/2022 - 10/7/2022)	2	3
Mr A Golova (appointed 07 Jun 2021)	4	6
Mr P Hogan	4	6
Ms A Murray (resigned 26 July 2022)	3	6
Mr S Rowley	6	6
Mr L McGivern (appointed 1 Sept 2022)	0	0

The CEO, CFO and COO also attend ARFC as non-voting members to provide professional input.

The **Learning & Quality Committee** (LQC) is a sub-committee of the main Board of Trustees. Its purpose is to monitor and evaluate the educational performance of schools within the Trust and of the Trust overall.

Attendance during the year at meetings of the LQC was as follows:

Trustee	Meetings attended	Out of a possible
Mrs F McSorley	3	3
Mr T Rodwell	1	3
Mr M Whittaker (resigned 31 August 2022)	2	3
Mr G Smith (resigned 31 August 2022)	2	3
Mrs D Martin	3	3
Mrs C Hartland	3	3
Mr D Butler (appointed 9 Feb 2022)	1	1
Mrs M Hayden (appointed 9 Feb 2022)	0	0

The CEO and Director of Education also attend LQC as non-voting members to provide professional input..

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Governance Statement (continued)

Review of value for money

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

The accounting officer considers how the 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 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 Collegiate Trust for the period 1st September 2021 to 31st 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1st September 2021 to 31st 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 risk and control framework

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. 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 ARFC of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint an external audit firm to carry out this work. The Trustees considered this option to be more effective than appointing a Trustee to carry out a programme of internal checks or to appoint the CFO of another trust to perform a peer review. Consequently, Bishop Fleming have been appointed as internal auditors, with their role including giving advice on financial matters and performing a range of checks on the Trust's financial systems. The checks carried out in the current period were:

- Bank & cash
- Budgets & financial monitoring
- Compliance
- Credit card
- Expenditure
- Fixed assets
- Income
- Payroll
- Strategic & operational review

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Governance Statement (continued)

The risk and control framework (continued)

- **Information technology**

The review of each area involved recording and evaluating the systems and controls in place within the area, including reference to the ATH. Testing took place to evaluate whether the systems operated as recorded and to establish whether the control procedures within the system were operating effectively. In any instance of non-compliance with the Trust's controls, the samples were extended to ascertain scale of any issues.

On an annual basis the auditor reports to the Board of Trustees, through the ARFC on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

The internal auditor has delivered the agreed programme of work as planned. For this year, it was requested by the Trust that additional testing was performed on strategic and operational review. There are no material control issues arising as a result of their work.

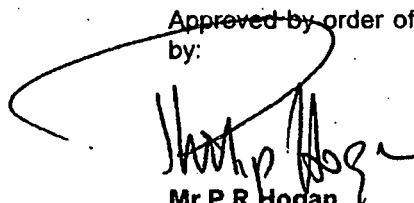
Review of effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Board of Trustees on 14 December 2022 and signed on their behalf by:



Mr P R Hogan
Chair of Trustees



Mr S Dey
Accounting Officer

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Statement on Regularity, Propriety and Compliance

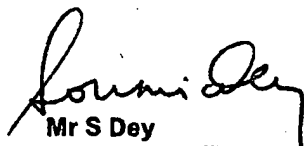
As accounting officer of The Collegiate Trust I have considered my responsibility to notify the Trust's Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of all funding, under the funding agreement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

I confirm that the following instances of irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of Trustees and ESFA:

During the year there was an instance of an identified alcoholic beverage being acquired by the Trust at a cost of £12 which did not conform with the purposes intended by Parliament.

During the year, the Trust applied for ESFA approval in relation to catering contracts with its trading subsidiary. Approval was not immediately granted before the contract had commenced resulting in the Trust being in breach of the Academies Financial Handbook. An action plan was put in place and the ESFA have since confirmed that the matter has been rectified and the Trust is now acting appropriately with approved contracts in place for services provided by the trading subsidiary.



Mr S Dey
Accounting Officer
Date: 14 December 2022

The Collegiate Trust
(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 Group and the charitable company and of their incoming resources and application of resources, including their 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and 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 their conduct and operation the Group and the charitable company apply 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 group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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



Mr P R Hogan

Chair of Trustees

Date: 14 December 2022

The Collegiate Trust
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of The Collegiate Trust

Opinion

We have audited the financial statements of The Collegiate Trust (the 'parent' Academy Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Academy Trust balance sheet, the Consolidated 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 Group's and of the parent Academy Trust's affairs as at 31 August 2022 and of the Group's 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 Group 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 Group's or the parent Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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Independent auditors' Report on the financial statements to the Members of The Collegiate Trust
(continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- the parent Academy Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Academy Trust 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 Trust 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 Group's and the parent Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent Academy Trust or to cease operations, or have no realistic alternative but to do so.

The Collegiate Trust
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Independent auditors' Report on the financial statements to the Members of The Collegiate Trust
(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:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Academy Trust and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to child protection and safeguarding, health and safety and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, Academies Accounts Direction, Academies Financial Handbook, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of land and buildings and revenue and noncompliance with financial management and governance requirements which are consistent with the obligations of public funded bodies. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Consideration of income streams, completeness of income and compliance with the obligations of funders including the ESFA
- Testing of internal controls procedures relating to expenditure potentially more susceptible to fraud and other irregularities including the misuse of public funding in areas such as cash, payroll and credit card expenditure; and
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Checking and reperforming the reconciliation of key control accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and

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Independent auditors' Report on the financial statements to the Members of The Collegiate Trust
(continued)

- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of corporate governance arrangements; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Academy Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Academy Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Collegiate Trust
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Independent auditors' Report on the financial statements to the Members of The Collegiate Trust
(continued)

Use of our report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust'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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

15 December 2022

The Collegiate Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Collegiate Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 12 July 2022 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 Collegiate Trust 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 Collegiate Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Collegiate Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Collegiate Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Collegiate Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Collegiate Trust's funding agreement with the Secretary of State for Education dated 29 May 2012 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 Trust's income and expenditure.

The Collegiate Trust
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Independent Reporting Accountant's Assurance Report on Regularity to The Collegiate Trust and the Education & Skills Funding Agency (continued)

Work undertaken

The work undertaken to draw to our conclusion includes:

- Reviewed the evidence used to support the Accounting Officer's sign off of the regularity statement
- Reviewed expenditure against specific terms of grant funding within the funding agreement
- Reviewed that grants have been applied for the purposes intended
- Confirmed that internal control procedures exist relating to expenditure incurred of cash and credit cards
- Confirmed items claimed on cash and credit cards are not for personal benefit
- Reviewed expenditure and considered whether any supplies are from related parties
- Reviewed minutes of Trust Board minutes for declaration of interests
- Reviewed Governance arrangements
- Considered whether other income activities are permitted within the Academy Trust's charitable objects
- Considered if borrowing agreements, including leases, have been made in accordance with the Academies Financial Handbook
- Confirmed that procurement and tendering procedures exist relating to expenditure and have been complied with.

Conclusion

In the course of our work, except for the matters listed below 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.

During the year there was an instance of an identified alcoholic beverage being acquired by the Trust at a cost of £12 which did not conform with the purposes intended by Parliament.

During the year, the Trust applied for ESFA approval in relation to catering contracts with its trading subsidiary. Approval was not immediately granted before the contract had commenced resulting in the Trust being in breach of the Academies Financial Handbook. An action plan was put in place and the ESFA have since confirmed that the matter has been rectified and the Trust is now acting appropriately with approved contracts in place for services provided by the trading subsidiary.

Kreston Reeves LLP

Kreston Reeves LLP
Reporting Accountant

Date: 15 December 2022

The Collegiate Trust
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Consolidated Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 August 2022

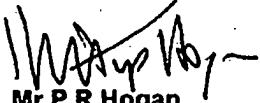
	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants:	3					
Other donations and capital grants		16,770	(576,518)	6,016,139	5,456,391	968,726
Other trading activities	5	1,006,212	895,630	-	1,901,842	1,304,878
Investments	6	286	-	-	286	204
Charitable activities	4	-	27,810,153	-	27,810,153	25,243,445
Total income		1,023,268	28,129,265	6,016,139	35,168,672	27,517,253
Expenditure on:						
Raising funds:						
Subsidiary trading expenses		1,465,537	-	-	1,465,537	949,956
Charitable activities		265,400	28,655,984	1,006,992	29,928,376	27,777,540
Total expenditure	7	1,730,937	28,655,984	1,006,992	31,393,913	28,727,496
Net expenditure		(707,669)	(526,719)	5,009,147	3,774,759	(1,210,243)
Transfers between funds	18	1,069,724	(1,714,946)	645,222	-	-
Net movement in funds before other recognised gains/(losses)		362,055	(2,241,665)	5,654,369	3,774,759	(1,210,243)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	12,194,000	-	12,194,000	(2,080,000)
Net movement in funds		362,055	9,952,335	5,654,369	15,968,759	(3,290,243)
Reconciliation of funds:						
Total funds brought forward		1,124,742	(10,602,670)	56,735,006	47,257,078	50,547,321
Net movement in funds		362,055	9,952,335	5,654,369	15,968,759	(3,290,243)
Total funds carried forward		1,486,797	(650,335)	62,389,375	63,225,837	47,257,078

The Collegiate Trust
(A company limited by guarantee)
Registered number: 08058921

Consolidated balance sheet
as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	62,011,199	56,451,677
Current assets			
Stocks	15	17,685	12,461
Debtors	16	1,629,365	1,410,322
Cash at bank and in hand		3,216,915	2,268,405
		<u>4,863,965</u>	<u>3,691,188</u>
Creditors: amounts falling due within one year	17	<u>(2,270,327)</u>	<u>(2,019,787)</u>
Net current assets		<u>2,593,638</u>	<u>1,671,401</u>
Total assets less current liabilities		<u>64,604,837</u>	<u>58,123,078</u>
Defined benefit pension scheme liability	26	<u>(1,379,000)</u>	<u>(10,866,000)</u>
Total net assets		<u><u>63,225,837</u></u>	<u><u>47,257,078</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	62,389,375	56,735,006
Restricted income funds	18	728,665	263,330
		<u>63,118,040</u>	<u>56,998,336</u>
Restricted funds excluding pension asset	18	63,118,040	56,998,336
Pension reserve	18	<u>(1,379,000)</u>	<u>(10,866,000)</u>
Total restricted funds	18	<u>61,739,040</u>	<u>46,132,336</u>
Unrestricted income funds	18	<u>1,486,797</u>	<u>1,124,742</u>
Total funds		<u><u>63,225,837</u></u>	<u><u>47,257,078</u></u>

The financial statements on pages 29 to 65 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


Mr P R Hogan
Chair of Trustees
Date: 14 December 2022

The notes on pages 33 to 65 form part of these financial statements.

The Collegiate Trust
(A company limited by guarantee)
Registered number: 08058921

Academy Trust balance sheet
as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	62,011,199	56,451,677
Current assets			
Debtors	16	1,761,984	1,502,645
Cash at bank and in hand		3,061,994	2,201,658
		<u>4,823,978</u>	<u>3,704,303</u>
Creditors: amounts falling due within one year	17	(2,291,879)	(2,033,399)
Net current assets		<u>2,532,099</u>	<u>1,670,904</u>
Total assets less current liabilities		<u>64,543,298</u>	<u>58,122,581</u>
Defined benefit pension scheme liability	26	(1,379,000)	(10,866,000)
Total net assets		<u><u>63,164,298</u></u>	<u><u>47,256,581</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	62,389,375	56,735,006
Restricted income funds	18	728,664	263,330
Pension reserve	18	(1,379,000)	(10,866,000)
Total restricted funds	18	<u>61,739,039</u>	<u>46,132,336</u>
Unrestricted income funds	18	<u>1,425,259</u>	<u>1,124,245</u>
Total funds		<u><u>63,164,298</u></u>	<u><u>47,256,581</u></u>

The financial statements on pages 29 to 65 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr P R Hogan
Chair of Trustees
Date: 14 December 2022

The Collegiate Trust
(A company limited by guarantee)

Consolidated 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	20	1,282,609	466,688
Cash flows from investing activities	21	(334,099)	(32,830)
Change in cash and cash equivalents in the year		948,510	433,858
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		2,268,405	1,834,547
Cash and cash equivalents at the end of the year	22, 23	3,216,915	2,268,405
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 33 to 65 form part of these financial statements

The Collegiate Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2022

1. Accounting policies

The Collegiate Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Riddlesdown Collegiate, Honister Heights, Purley, Surrey, CR8 1EX. The principal activity of the Academy Trust is to provide education for pupils that satisfies the requirements of the Education Act 2002.

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 Trust, 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.

The Collegiate Trust meets the definition of a public benefit entity under FRS 102.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academy Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The Academy Trust's functional and presentational currency is Pounds Sterling.

The Academy Trust's financial statements are presented to the nearest £..

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 Trust to continue as a going concern.

The Trustees confirm that there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Group 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.

Notes to the financial statements
for the year ended 31 August 2022

1. Accounting policies (continued)

1.4 Income

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

- **Grants**

Grants are included in the Consolidated 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 Consolidated 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.

- **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 Group has provided the goods or services.

- **Transfer on conversion**

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

Notes to the financial statements
for the year ended 31 August 2022

1. Accounting policies (continued)

1.5 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Interest receivable

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

1.7 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Notes to the financial statements
for the year ended 31 August 2022

1. Accounting policies (continued)

1.8 Tangible fixed assets

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

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

Depreciation is provided on the following bases:

Freehold property	- 2% Straight Line
Leasehold property	- 2% Straight Line
Freehold Improvements	- 2% Straight Line
Computer equipment	- 25% Straight Line
Plant and equipment	- 20% Reducing Balance
Fixtures and fittings	- 20% Reducing Balance
Motor vehicles	- 25% Reducing Balance

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 Consolidated statement of financial activities.

1.9 Stocks

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

1.10 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.

1.11 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.

Notes to the financial statements
for the year ended 31 August 2022

1. Accounting policies (continued)

1.12 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 Group 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.

1.13 Provisions

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

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

1.14 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 17. 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. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.15 Operating leases

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

Notes to the financial statements
for the year ended 31 August 2022

1. Accounting policies (continued)

1.16 Pensions

Retirement benefits to employees of the Group 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 Group 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 Group 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 Consolidated 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.

1.17 Conversion to an academy trust

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Kenley Primary School to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Consolidated statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 24.

Notes to the financial statements
for the year ended 31 August 2022

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

Multi-employer defined benefit pension scheme

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 26, 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.

Tangible fixed assets

The Academy Trust has recognised tangible fixed assets with a carrying value of £62,011,199 at the reporting date (see note 14). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trust's forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

Critical areas of judgment:

Lease commitments

The Academy Trust has entered into a range of lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the governors to consider whether the terms and conditions of each lease are such that the Academy Trust has acquired the risks and rewards associated with the ownership of the underlying assets.

**Notes to the financial statements
for the year ended 31 August 2022**

2. Critical accounting estimates and areas of judgement (continued)

Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme with other Academy Trusts in the region. In the judgement of the governors, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme. See note 26 for further details.

Inherited assets from other Academy Trust

The Academy Trust recognised fixed assets of £5,130,000, unrestricted funds of £7,903 and a deficit of £576,518 relating to the LGPS pension scheme being the estimated fair value of assets and liabilities transferred from another Trust in respect of Kenley Primary School which formerly formed part of the London Borough of Croydon.

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Transferred on conversion (see note 24)	7,903	(576,518)	5,130,000	4,561,385	-
Donations	8,867	-	-	8,867	5,521
Capital Grants	-	-	886,139	886,139	963,205
Total 2022	16,770	(576,518)	6,016,139	5,456,391	968,726
Total 2021	5,521	-	963,205	968,726	

The Collegiate Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2022

4. Funding for the Academy Trust's educational operations

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
DfE/ESFA grants			
General Annual Grant (GAG)	23,853,604	23,853,604	20,578,617
Other DfE/ESFA grants			
Pupil Premium	1,201,046	1,201,046	1,134,318
Others	1,187,293	1,187,293	538,712
UFSM	162,987	162,987	171,172
Teachers Pay and Pension grants	-	-	1,116,492
Other Government grants			
Local Authority Grants	1,405,223	1,405,223	1,253,824
COVID-19 additional funding (DfE/ESFA)			
Coronavirus exceptional support	-	-	448,915
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme grant	-	-	1,395
Total 2022	27,810,153	27,810,153	25,243,445
Total 2021	25,243,445	25,243,445	

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2022

5. Income from other trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from facilities/services	416,486	68,581	485,067	391,029
Catering	-	717,667	717,667	400,311
School fund	22,341	-	22,341	319
School trips	221,600	-	221,600	111,178
Music lessons	-	66,101	66,101	53,989
Breakfast club	-	22,359	22,359	15,339
Exam fees	-	20,922	20,922	13,114
(Income from subsidiary trading activities)	345,785	-	345,785	319,599
	1,006,212	895,630	1,901,842	1,304,878
Total 2021	766,238	538,640	1,304,878	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest received	286	286	204
Total 2021	204	204	

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2022

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on fundraising trading:					
Support costs	-	-	1,465,537	1,465,537	949,956
Activities:					
Direct costs	20,118,220	-	1,127,296	21,245,516	19,786,946
Support costs	4,114,513	1,829,578	2,738,769	8,682,860	7,990,594
	<u>24,232,733</u>	<u>1,829,578</u>	<u>5,331,602</u>	<u>31,393,913</u>	<u>28,727,496</u>
Total 2021	<u>22,046,918</u>	<u>1,923,725</u>	<u>4,756,853</u>	<u>28,727,496</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	<u>21,245,516</u>	<u>8,682,860</u>	<u>29,928,376</u>	<u>27,777,540</u>
Total 2021	<u>19,786,946</u>	<u>7,990,594</u>	<u>27,777,540</u>	

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2022

Analysis of direct costs

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	-	20,118,220	20,118,220	18,881,270
Educational supplies	-	751,853	751,853	578,182
Staff development	-	78,232	78,232	62,194
Examination fees	-	265,571	265,571	221,740
Curriculum fees	-	31,640	31,640	43,560
	-	21,245,516	21,245,516	19,786,946
Total 2021	6,112	19,780,834	19,786,946	

Analysis of support costs

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Pension finance cost	-	204,000	204,000	138,000
Staff costs	-	4,114,513	4,114,513	3,165,648
Depreciation	-	866,387	866,387	1,305,397
Premises costs	-	1,830,778	1,830,778	1,923,725
Technology costs	-	359,959	359,959	96,184
Other support costs	-	745,046	745,046	847,835
Professional services	-	34,100	34,100	37,250
Licences and subscriptions	-	279,171	279,171	288,015
Computer maintenance	-	2,411	2,411	4,818
School trip costs	214,153	-	214,153	171,960
School fund costs	32,342	-	32,342	11,762
	246,495	8,436,365	8,682,860	7,990,594
Total 2021	183,722	7,806,872	7,990,594	

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2022

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2022 £	2021 £
Operating lease rentals	346,540	159,869
Depreciation of tangible fixed assets	866,387	1,305,397
Fees paid to auditors for:		
- audit	21,500	21,500
- other services	6,400	6,400
	<u>21,500</u>	<u>21,500</u>
	<u>6,400</u>	<u>6,400</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Wages and salaries	16,801,851	15,896,919	16,803,660	15,896,919
Social security costs	1,782,772	1,635,509	1,782,772	1,635,509
Pension costs	5,396,600	4,437,440	5,396,600	4,437,440
	<u>23,981,223</u>	<u>21,969,868</u>	<u>23,983,032</u>	<u>21,969,868</u>
Agency staff costs	229,599	71,883	229,599	71,883
Staff restructuring costs	21,911	5,167	21,911	5,167
	<u>24,232,733</u>	<u>22,046,918</u>	<u>24,234,542</u>	<u>22,046,918</u>

Staff restructuring costs comprise:

	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Redundancy payments	21,911	5,167	21,911	5,167
	<u>21,911</u>	<u>5,167</u>	<u>21,911</u>	<u>5,167</u>

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2022

10. Staff (continued)

b. Severance payments

The Group paid 1 severance payments in the year (2021 - 1), disclosed in the following bands:

	Group 2022 No.	Group 2021 No.
£0 - £25,000	1	1

c. Special staff severance payments

There are no amounts included within staff restructuring costs which are non-statutory / non-contractual (2021: £Nil).

d. Staff numbers

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

	Group 2022 No.	Group 2021 No.	Academy 2022 No.	Academy 2021 No.
Teachers	285	269	285	269
Administration and Support	299	296	299	296
Management	11	11	11	11
	595	576	595	576

e. Higher paid staff

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

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	16	16
In the band £70,001 - £80,000	10	7
In the band £80,001 - £90,000	2	3
In the band £90,001 - £100,000	2	1
In the band £100,001 - £110,000	1	-
In the band £130,001 - £140,000	1	2
In the band £140,001 - £150,000	1	-
In the band £180,001 - £190,000	1	1

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Notes to the financial statements
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10. Staff (continued)

e. Higher paid staff (continued)

Thirty one of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2022, pension contributions for these employees amounted to £557,342 (2021: £510,317). Three employees participated in the Local Government Pension Scheme. During the year ended 31 August 2022, pension contributions for these employees amounted to £47,879 (2021: £30,078).

f. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,406,208 (2021: £1,333,835).

11. Central services

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

- Finance, HR and school improvement services
- Management services

The Group charges for these services on the following basis:

4.4% of GAG and other unrestricted income (2021: 4.4% of GAG and other unrestricted income)

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Riddlesdown Collegiate	491,357	460,965
Gossops Green Primary School	113,289	109,037
Waterfield Primary	76,882	75,354
The Quest Academy	264,265	238,729
Courtwood Primary School	52,007	48,476
Gilbert Scott Primary School	46,177	57,981
Kenley Primary School	43,618	-
Total	1,087,595	990,542

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Notes to the financial statements
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12. Trustees' remuneration and expenses

Only one Trustee, the CEO, has been paid remuneration or has received other benefits from an employment with the Academy Trust. The value of the Trustee's remuneration and other benefits was as follows:

		2022	2021
		£	£
Mr G H Smith, Chief Executive & Accounting Officer	Remuneration	185,000 -	185,000 -
		190,000	190,000
	Pension contributions paid	40,000 -	40,000 -
		45,000	45,000

During the year ended 31 August 2022, expenses totalling £NIL were reimbursed or paid directly to Trustee (2021 - £Nil).

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

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Group has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme.

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Notes to the financial statements
for the year ended 31 August 2022

14. Tangible fixed assets

Group and Academy

	Land and Buildings £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 1 September 2021	61,151,920	930,499	474,892	1,002,577	15,521	63,575,409
Additions	686,748	216,833	179,529	212,799	-	1,295,909
Assets transferred from local authority on conversion	5,130,000	-	-	-	-	5,130,000
At 31 August 2022	<u>66,968,668</u>	<u>1,147,332</u>	<u>654,421</u>	<u>1,215,376</u>	<u>15,521</u>	<u>70,001,318</u>
Depreciation						
At 1 September 2021	5,911,289	419,803	303,447	478,844	10,349	7,123,732
Charge for the year	387,949	176,848	52,378	247,919	1,293	866,387
At 31 August 2022	<u>6,299,238</u>	<u>596,651</u>	<u>355,825</u>	<u>726,763</u>	<u>11,642</u>	<u>7,990,119</u>
Net book value						
At 31 August 2022	<u>60,669,430</u>	<u>550,681</u>	<u>298,596</u>	<u>488,613</u>	<u>3,879</u>	<u>62,011,199</u>
At 31 August 2021	<u>55,240,631</u>	<u>510,696</u>	<u>171,445</u>	<u>523,733</u>	<u>5,172</u>	<u>56,451,677</u>

Included in land and buildings is land at valuation of £12,949,000 (2021: £11,234,000) which is not depreciated.

During the year, the Academy Trust recognised leasehold land and buildings of £5,130,000 in respect of Kenley Primary School at the date of conversion in accordance with the professional valuation undertaken by SHW.

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Notes to the financial statements
for the year ended 31 August 2022

15. Stocks

	Group 2022 £	Group 2021 £
Catering stock	17,685	/ 12,461

16. Debtors

	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Due within one year				
Trade debtors	223,679	256,105	177,621	238,050
Amounts owed by group undertakings	-	-	183,622	115,323
Other debtors	250,718	237,002	250,718	237,002
Prepayments and accrued income	1,154,968	917,215	1,150,023	912,270
	1,629,365	1,410,322	1,761,984	1,502,645

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Notes to the financial statements
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17. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Trade creditors	470,921	299,014	466,173	294,089
Amounts owed to group undertakings	-	-	76,833	21,208
Other taxation and social security	446,229	401,320	439,412	399,311
Other creditors	503,441	590,933	462,715	593,141
Accruals and deferred income	849,736	728,520	846,746	725,650
	2,270,327	2,019,787	2,291,879	2,033,399
	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Deferred income at 1 September	376,500	301,679	376,500	301,679
Resources deferred during the year	334,781	376,500	334,781	376,500
Amounts released from previous periods	(376,500)	(301,679)	(376,500)	(301,679)
	334,781	376,500	334,781	376,500

The deferred income above relates to monies received in advance of the year for school trips to take place in 2022/23, Universal Infant Free School Meals and Other Local Government Grants which are recognised over the period to which it relates.

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Notes to the financial statements
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18. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	1,124,246	677,485	(265,400)	(111,072)	-	1,425,259
Trading Company	496	345,783	(1,465,537)	1,180,796	-	61,538
	<u>1,124,742</u>	<u>1,023,268</u>	<u>(1,730,937)</u>	<u>1,069,724</u>	<u>-</u>	<u>1,486,797</u>
Restricted general funds						
General Annual Grant (GAG)	145,370	23,854,232	(21,614,973)	(2,050,165)	-	334,464
General Restricted	-	963,112	(904,130)	8,500	-	67,482
Other DfE / ESFA Grants	117,960	2,550,698	(2,668,658)	326,719	-	326,719
Pupil Premium	-	1,405,223	(1,405,223)	-	-	-
Pension reserve	(10,866,000)	(644,000)	(2,063,000)	-	12,194,000	(1,379,000)
	<u>(10,602,670)</u>	<u>28,129,265</u>	<u>(28,655,984)</u>	<u>(1,714,946)</u>	<u>12,194,000</u>	<u>(650,335)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	56,451,677	5,130,000	(866,387)	1,295,909	-	62,011,199
DfE / ESFA Capital Grants	283,329	624,106	(7,396)	(521,863)	-	378,176
Local Authority Capital Grants	-	262,033	(133,209)	(128,824)	-	-
	<u>56,735,006</u>	<u>6,016,139</u>	<u>(1,006,992)</u>	<u>645,222</u>	<u>-</u>	<u>62,389,375</u>
Total Restricted funds	<u>46,132,336</u>	<u>34,145,404</u>	<u>(29,662,976)</u>	<u>(1,069,724)</u>	<u>12,194,000</u>	<u>61,739,040</u>
Total funds	<u>47,257,078</u>	<u>35,168,672</u>	<u>(31,393,913)</u>	<u>-</u>	<u>12,194,000</u>	<u>63,225,837</u>

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

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Notes to the financial statements
for the year ended 31 August 2022

18: Statement of funds (continued)

Unrestricted funds are applied to the general work of the Academy Trust to support activities inside and outside the curriculum.

Restricted funds:

GAG represents funds to be used to cover the normal running costs of the Academy Trust.

Pupil premium funding is provided in order to be used to support disadvantaged pupils and to assist them in decreasing the attainment gap between those pupils and their peers.

UFSM supports schools in delivering the legal requirement to offer free school meals to all reception, year 1 and year 2 pupils.

Other DfE/ESFA grants represents grants provided for specific purposes, such as pupil premium which is used to support disadvantaged pupils and assist them in decreasing the attainment gap between them and their peers.

Other government grants represents those grants provided for specific purposes to provide additional support to pupils where required.

The Restricted fixed asset fund represents the leasehold land and buildings and other assets which were donated upon conversion to academy status, the value of fixed assets purchased since conversion including depreciation to the balance sheet date.

DfE/ESFA capital grants funds is to provide the Academy Trust with its own capital money to address improvements to buildings and other facilities. The balance on the fund represents the value of fixed assets purchased in the financial year including depreciation to the balance sheet date and unspent capital grant money to be spent in 2022/23.

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

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Notes to the financial statements
for the year ended 31 August 2022

18. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	995,924	451,205	(189,834)	(133,049)	-	1,124,246
Trading Company	4,472	319,599	(949,956)	626,381	-	496
	<u>1,000,396</u>	<u>770,804</u>	<u>(1,139,790)</u>	<u>493,332</u>	<u>-</u>	<u>1,124,742</u>
Restricted general funds						
General Annual Grant (GAG)	63,777	20,578,617	(19,730,089)	(766,935)	-	145,370
General Restricted	-	541,194	(553,156)	11,962	-	-
Other DfE / ESFA Grants	-	987,627	(869,667)	-	-	117,960
Pupil Premium	-	1,134,318	(1,134,318)	-	-	-
UIFSM	-	171,172	(171,172)	-	-	-
Teachers Pay and Pension Grants	-	1,116,492	(1,116,492)	-	-	-
Other Government Grants	-	1,253,824	(1,253,824)	-	-	-
Pension reserve	(7,526,000)	-	(1,260,000)	-	(2,080,000)	(10,866,000)
	<u>(7,462,223)</u>	<u>25,783,244</u>	<u>(26,088,718)</u>	<u>(754,973)</u>	<u>(2,080,000)</u>	<u>(10,602,670)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	56,760,835	-	(1,305,397)	996,239	-	56,451,677
DfE / ESFA Capital Grants	232,717	769,326	(66,496)	(652,218)	-	283,329
Local Authority Capital Grants	15,596	193,879	(127,095)	(82,380)	-	-
	<u>57,009,148</u>	<u>963,205</u>	<u>(1,498,988)</u>	<u>261,641</u>	<u>-</u>	<u>56,735,006</u>

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Notes to the financial statements
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18. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Total Restricted funds	49,546,925	26,746,449	(27,587,706)	(493,332)	(2,080,000)	46,132,336
Total funds	<u>50,547,321</u>	<u>27,517,253</u>	<u>(28,727,496)</u>	<u>-</u>	<u>(2,080,000)</u>	<u>47,257,078</u>

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Notes to the financial statements
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18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Riddlesdown Collegiate (including Central Trust)	879,309	796,771
Gossops Green Primary School	202,321	148,264
The Collegiate Trust Trading Limited	61,538	496
Waterfield Primary School	59,712	(82,552)
The Quest Academy	578,987	283,978
Courtwood Primary School	253,385	119,070
Gilbert Scott Primary School	162,281	122,045
Kenley Primary School	17,929	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	2,215,462	1,388,072
Restricted fixed asset fund	62,389,375	56,735,006
Pension reserve	(1,379,000)	(10,866,000)
	<hr/>	<hr/>
Total	63,225,837	47,257,078
	<hr/> <hr/>	<hr/> <hr/>

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Notes to the financial statements
for the year ended 31 August 2022

18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Riddlesdown Collegiate (including Central Trust)	10,984,074	1,327,523	568,385	1,632,470	14,512,452	13,421,088
Gossops Green Primary School	2,017,570	217,723	81,397	392,747	2,709,437	2,633,432
Waterfield Primary School	1,259,688	172,595	88,191	210,843	1,731,317	1,823,180
The Quest Academy	4,285,377	427,495	249,236	868,709	5,830,817	5,407,094
Courtwood Primary School	1,229,917	106,385	38,300	231,489	1,606,091	1,500,793
Gilbert Scott Primary School	1,036,544	209,213	28,353	233,980	1,508,090	1,686,556
Kenley Primary School	826,894	149,376	28,524	158,991	1,163,785	-
Academy Trust	21,640,064	2,610,310	1,082,386	3,729,229	29,061,989	26,472,143

19. 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	-	-	62,011,199	62,011,199
Current assets	1,579,082	2,906,707	378,176	4,863,965
Creditors due within one year	(92,285)	(2,178,042)	-	(2,270,327)
Provisions for liabilities and charges	-	(1,379,000)	-	(1,379,000)
Total	1,486,797	(650,335)	62,389,375	63,225,837

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19. Analysis of net assets between funds (continued)

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	-	-	56,451,677	56,451,677
Current assets	1,168,956	2,238,903	283,329	3,691,188
Creditors due within one year	(44,214)	(1,975,573)	-	(2,019,787)
Provisions for liabilities and charges	-	(10,866,000)	-	(10,866,000)
Total	1,124,742	(10,602,670)	56,735,006	47,257,078

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

	Group 2021 £	Group 2020 £
Net income/(expenditure) for the year (as per Statement of financial activities)	3,774,759	(1,210,243)
Adjustments for:		
Depreciation	866,387	1,305,397
Capital grants from DfE and other capital income	(886,139)	(963,205)
Interest receivable	(286)	(204)
Defined benefit pension scheme obligation inherited	644,000	-
Defined benefit pension scheme cost less contributions payable	1,859,000	1,122,000
Defined benefit pension scheme finance cost	204,000	138,000
Increase in stocks	(5,224)	(63)
(Increase)/decrease in debtors	(259,043)	123,516
Increase/(decrease) in creditors	290,540	(48,510)
Assets transferred from local authority on conversion	(5,130,000)	-
Cash transferred from local authority on conversion	(75,385)	-
Net cash provided by operating activities	1,282,609	466,688

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Notes to the financial statements
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21. Cash flows from investing activities

	Group 2022 £	Group 2021 £
Dividends, interest and rents from investments	286	204
Purchase of tangible fixed assets	(1,295,909)	(996,239)
Capital grants from DfE Group	886,139	963,205
Cash transferred from local authority on conversion	75,385	-
Net cash used in investing activities	(334,099)	(32,830)

22. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand and at bank	3,216,915	2,268,405
Total cash and cash equivalents	3,216,915	2,268,405

23. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	2,268,405	948,510	3,216,915
	2,268,405	948,510	3,216,915

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24. Conversion to an academy trust

On 1 September 2021 Kenley Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Collegiate Trust from London Borough of Croydon for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Consolidated balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Consolidated statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Consolidated statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	5,130,000	5,130,000
Current assets				
Cash - representing budget surplus on LA funds	7,903	67,482	-	75,385
Non-current liabilities				
LGPS pension deficit	-	(644,000)	-	(644,000)
Net assets/(liabilities)	<u>7,903</u>	<u>(576,518)</u>	<u>5,130,000</u>	<u>4,561,385</u>

25. Capital commitments

	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	-	326,480	-	326,480

In the prior year a commitment existed for the extension of the post-16 provision at Riddlesdown Collegiate. A significant increase in student numbers required development to the provision to be able to continue to deliver quality teaching and learning.

26. Pension commitments

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

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26. Pension commitments (continued)

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

Contributions amounting to £407,611 were payable to the schemes at 31 August 2022 (2021 - £382,387) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2019. 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 £3,213,208 (2021 - £3,015,879).

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

**Notes to the financial statements
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26. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,303,000 (2021 - £1,151,000), of which employer's contributions totalled £1,001,000 (2021 - £884,000) and employees' contributions totalled £ 302,000 (2021 - £267,000). The agreed contribution rates for future years are 15.1 to 24.7 per cent for employers and 5.5 to 12.5 per cent for employees.

As described in note 24 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.05 - 3.70	2.90 - 3.40
Rate of increase for pensions in payment/inflation	3.05 - 3.20	2.90
Discount rate for scheme liabilities	4.25	1.65

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
Retiring today		
Males	21.9	22.1
Females	24.1 - 24.2	24.3 - 24.4
Retiring in 20 years		
Males	22.7 - 22.8	23.0 - 23.1
Females	25.8 - 25.9	26.0 - 26.1

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate -0.1% (2021: -0.1%)	367	565
Mortality assumption - 1 year increase	614	927
CPI rate +0.1% (2020: +0.5%)	346	517
Salary increase +0.1% (2021: +0.1%)	26	41

Share of scheme assets

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26. Pension commitments (continued)

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	8,982,000	7,704,000
Corporate bonds	2,738,000	2,962,000
Property	1,930,000	1,332,000
Cash and other liquid assets	317,000	321,000
Total market value of assets	13,967,000	12,319,000

The actual return on scheme assets was £(77,000) (2021 - £1,605,000).

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

	2022 £	2021 £
Current service cost	(2,860,000)	(2,006,000)
Interest income	223,000	170,000
Interest cost	(427,000)	(308,000)
Total amount recognised in the Consolidated statement of financial activities	(3,064,000)	(2,144,000)

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

	2022 £	2021 £
At 1 September	23,185,000	17,067,000
Transferred in on conversion to an academy trust	1,279,000	-
Service costs	2,860,000	2,006,000
Interest cost	427,000	308,000
Employee contributions	302,000	267,000
Actuarial (gains)/losses	(12,494,000)	3,721,000
Benefits paid	(214,000)	(184,000)
At 31 August	15,345,000	23,185,000

The Collegiate Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2022

26. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	12,319,000	9,541,000
Transferred in on conversion to an academy trust	635,000	-
Interest income	223,000	170,000
Actuarial (losses)/gains	(300,000)	1,641,000
Employer contributions	1,001,000	884,000
Employee contributions	302,000	267,000
Benefits paid	(214,000)	(184,000)
At 31 August	13,966,000	12,319,000

27. Operating lease commitments

At 31 August 2022 the Group and the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Not later than 1 year	308,347	300,038	308,347	300,038
Later than 1 year and not later than 5 years	302,122	517,584	302,122	517,584
	610,469	817,622	610,469	817,622

28. Members' liability

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

Notes to the financial statements
for the year ended 31 August 2022

29. Related party transactions

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

Octavo Business Partnership

A mutual trading company owned by the Croydon Headteachers Association (CHTA), Croydon Council and Octavo, provide staff to support services and training to education providers in London. The Chief Executive and Accounting Officer, Mr G H Smith is a director of Octavo Business Partnership. During the year the Academy Trust paid £Nil for services provided (2021: £150). There were amounts of £Nil (2021: £Nil) due to the partnership as at the year end.

Croydon Headteachers Association (CHTA)

A network to provide networking, support and training to the Headteachers of education providers in Croydon. The Chief Executive and Accounting Officer, Mr G H Smith is a director of the CHTA. The Principal of The Quest Academy, Mr A Crofts, is also a director of the CHTA. During the year the Academy Trust paid £2,442 (2021: £663) for their services. There were amounts of £Nil (2021: £13) due to the partnership as at the year end.

30. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022 the trust had unspent funds brought forward of £31,665 (2021: £16,559), received £25,077 (2021: £30,323) and disbursed £17,766 (2021: £25,065) from the fund. The trust had unspent funds carried forward of £38,976 (2021: £31,665) and these are included within creditors: amounts falling due in less than one year relating to undistributed funds.

31. Controlling party

The Academy Trust is run by the management team on a day to day basis. Strategic decisions are made by the Board of Trustees. There is no ultimate controlling party.