

Company registration number 07687709 (England and Wales)

CRANMER EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

CRANMER EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Oldham, Henshaw and Church of England Education Trust (Henshaw Trust)
represented by B Harper

Chair of Board of Trustees
represented by J Gregory

Manchester Diocesan Board of Education
represented by D Smith as the Diocesan Corporate Member
M Woodhouse

Reverend P Williamson

Trustees

J Gregory (Chair of Trust Board)
J A Hollis (Accounting Officer and Chief Executive Officer of Cranmer Education Trust)
T Mitchell
E Moores
P Winter (Chair of Audit, Risk and Finance Committee)
S Curley
D Royle
Reverend J Rosedale
R Lamb

Senior Management Team

Chief Executive Officer
Chief Operating Officer
Chief Financial Officer
HR Director
IT Director
Deputy Chief Operating Officer
Finance Manager

J Hollis
C Ellis
A Leighton
C Kearns
C Hawes
L Wright
R Minton

Company Name

Cranmer Education Trust

Company Registration Number

07687709 (England and Wales)

Registered Office

Cranmer Education Trust
The Blue Coat School
Egerton Street Oldham
OL1 3SQ

Academies Operated

Mayfield Primary School
East Crompton St George's CofE Primary School
The Blue Coat School
St Anne's Church of England Academy
The Brian Clarke Church of England Academy
St John's CE Thornham Primary School
(From date of joining 01/04/2024)
Little Heaton Church of England Primary School
(From date of joining 01/03/2024)

Location

Mayfield Road, Oldham, OL1 4LG
George Street, Oldham, OL2 5AX
Egerton Street, Oldham, OL1 3SQ
Hollin Lane Middleton M24 6XN
Bloom Street, Oldham, OL9 6BP
Thornham Lane, Middleton, M24 2SB

Boardman Ln, Middleton, M24 4QA

Principal

M Couper-Barton
R Ross
R Higgins
C Heyes
A Ash
R Hunter

S Hamer

CRANMER EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|---------------------|-----------------------------------------------------------------------------------------------------------|
| Independent auditor | RSM UK Audit LLP Ninth Floor Landmark, St Peter's Square 1 Oxford Street Manchester M1 4PB |
| Bankers | Lloyds TSB Church Street Blackburn BB2 1JQ |
| Solicitors | Hill Dickinson 1 St. Paul's Square Old Hall Street Liverpool L3 9SJ |

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2024. The annual report serves the purposes of both a Trustees' report, and a Directors' report and strategic report under company law.

Cranmer Education Trust is a Multi Academy Trust which offers a broad and balanced curriculum in accordance with the tenets of the Church of England. During the period the Trust operated three secondary and four primary academies.

The secondary academies included are The Blue Coat C of E School for pupils aged 11 to 18 serving a wide catchment area across North East Manchester, St Annes' Church of England Academy based in Middleton for pupils 11 to 16 serving Middleton and Heywood which joined the Trust on 1 March 2021 and the Brian Clarke C of E Academy for pupils aged 11 to 16 serving Oldham which joined the Trust on 1 September 2022.

The four primary academies are East Crompton St George's C of E Primary School for pupils aged 4-11 with a local catchment area in Shaw which joined the Trust on 1 September 2015, Mayfield Primary School for pupils aged 3-11 situated in the Derker area of Oldham which joined the Trust on 1 January 2016, Little Heaton Church of England School for pupils aged 4-11 situated in Middleton which joined the trust on 1 March 2024 and St John's CE Thornham Primary School for pupils aged 4-11 situated in Middleton which joined the trust on 1 April 2024.

The Trust's academies had a combined pupil capacity of 3,605 and had roll of 3,477 in the school census of January 2024. The two new primary schools which joined in March 2024 and April 2024 respectively had a capacity of 315 and roll of 298 on joining. Post new school joiners, the Trust pupil capacity is 3920 and roll of 3775.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Cranmer Education Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees of Cranmer Education Trust are also the Directors of the charitable company for the purposes of company law. The charitable company changed its name from The Blue Coat School to Cranmer Education Trust on 1 May 2015 when the company converted to multi academy trust status.

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 has opted into the Department for Education risk protection arrangement (RPA). This scheme protects trustees and officers from claims arising from negligent acts, errors and omissions occurring while on Trust business and provides unlimited cover.

Method of recruitment and appointment or election of Trustees

All members of the Trust Board are appointed and/or elected in accordance with the Articles of Association.

Trustees (Directors) are recruited by invitation dependent upon their expertise, experience and skills under the following conditions as set out in the Articles of Association as updated effective date 31 October 2019:

- Directors appointed by Members shall not exceed 13
- Directors who are employees including the Chief Executive Officer- number not to exceed one third of total Directors Article 57
- Co-opted Directors -Directors appointed by the Directors under Article 58
- Parent Directors if appointed under Articles 53-56

The Board must comprise of at least three Trustees each with a term of office of 4 years (with the exception of any post held ex officio).

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees and local governors depends on their existing experience. Where appropriate, induction training is provided on charitable, educational, legal and financial matters. All are given access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents appropriate to their specific roles through the secure shared knowledge network – GovernorHub.

The Trust will institute training for Directors and local governors on their responsibilities within the Trust and will review its own needs in the light of its experience and responsibilities. These are likely to include:

- training for Directors in relation to their specific areas of oversight within the Trust.
- updates from the Diocesan Board of Education on the responsibilities of Directors and Members of Multi-Academy Trusts with a religious character
- training for Directors on their financial responsibilities, provided by an independent body
- training for Directors on their legal responsibilities and accountabilities as trustees, provided by an independent body
- induction training for new Directors and Governors
- training on the use of GovernorHub for the sharing of documents and information

Organisational Structure

Cranmer Education Trust currently operates a management structure as follows: The Trust Board (including Audit, Risk and Finance Committee, People Strategy and Policy Committee, Admissions Committee and Standards Committee), local governance, the Principals of each Academy and the Executive Team of the Trust chaired by the Chief Executive Officer (CEO) who is also the Accounting Officer. The aim of the management structure is to devolve appropriate levels of responsibility to ensure responsive, high quality provision in all our schools. The management structure is set out in the following trust documents, the Scheme of Delegation, the Finance Manuals and Financial Responsibilities Key.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Trust using data results and budgets and making major decisions about the direction of the Trust, capital expenditure, senior staff appointments and the overall policy framework.

The Trust Board has established Local Governing Committees (LGC) in each academy of the Trust which receive delegated authority from the Trust Board to monitor and advise the Trust Board in relation to the functioning of the Academy under the remit of curriculum policy, safeguarding policy, admissions procedure, receiving and challenging local financial performance, compliance with Trust systems and procedures, appointments below principal level, monitoring and evaluating outcomes for pupils, estate maintenance and health and safety.

The Executive Team headed by the CEO comprised key personnel of the Trust: The Chief Operating Officer and the Chief Financial Officer supported by the Trust HR Director, IT Director, Finance and Business Managers. The team through the CEO was delegated by the Trust Board wide ranging responsibilities to support the work of the Trust to ensure value for money, high standards of educational provision and actions for pupils, and consistent practice especially in areas such as procurement, IT, finance, and facilities.

The Strategic Leadership Team, including the Chief Operating Officer, the Trust Head of School Improvement, the Strategic Director of Teacher Training and Development and the Principals of each Academy, chaired by the CEO consult on and assist the Trust Board and Executive Team with the development of policy and procedures as a key communication tool for the Trust. The group is not a committee and does not have any formal powers delegated to it by the Trust Board.

During 23-24 the Trust worked on other projects which will affect the organisational structure of the Trust going forward:

- Little Heaton and St John's Thornham primary schools joined the Trust
- Expansion project with an increase in PAN at St John Thornham
- Trust growth with three schools resolved to join the Trust in the 24-25 academic year, due diligence and onboarding is underway.

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Arrangements for setting pay and remuneration of key management personnel

Factors considered in determining the pay and remuneration of key management personnel include the skills required (qualifications and experience), responsibility levels and autonomy. For new posts, benchmarking exercises and research is carried out so that the salaries paid are compatible with other similar posts outside the Trust. Posts within the Trust that have similar requirements are paid at comparable rates. The Trust also ensures that salaries are in line with market requirements as far as possible so that the best staff are recruited and retained, and staff are well motivated.

Trade Union Facility Time

The Trust did not have any relevant Trade Union Officials undertaking facility time in its employment.

Related parties and co-operation with other organisations

The Blue Coat School was designated as a Teaching School Hub, for Oldham and Tameside, in 2021. Nationally there are 87 teaching school hubs, creating a new national infrastructure for teacher and leadership development, this supersedes National Teaching Schools. In addition to the Trust's internal staff, partnerships have been formed with Primary, Secondary and Sixth Form establishments via SLAs. The Teaching School Hub has provided the Early Career Framework (replacing NQT) and related AB services to all new teachers in Oldham and Tameside, alongside NPQ qualifications for further teacher development.

Engagement with employees (including disabled persons)

The Trust has a Trade Union Recognition Agreement and an established and effective Joint Consultation and Negotiation Committee (JCNC), which is well attended by union representatives and meets at least twice per year. All recognised trade unions are represented.

All employees have an annual appraisal in the context of school and Trust priorities. All schools have 2 whole-staff inset days per year, on the same days, so that trust priorities, policy and development can be shared and developed. All schools have a meetings system and other communications mechanisms to support school improvement and staff development. As a very big school (1650+ pupils), Blue Coat also has a staff consultative committee.

People who state they have a disability on job application forms are given an interview for the role if they meet the essential criteria on the job description, they do not have to meet the desirable criteria. The Trust has an Equality Policy which details the support available for disabled employees during their employment at the Trust.

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

Please see Promoting the Success of the Company included in the Strategic report

Objectives and activities

Objects and Aims

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad, balanced, rich and differentiated curriculum, and which shall include:

- i. Church of England schools conducted in accordance with the principles, practices and tenets of the Church of England particularly in relation to arranging for religious education and daily acts of worship and in accordance with any trust deed governing the use of land used by the relevant Academy and having regard to any advice and following directives issued by the Diocesan Board of Education; and
- ii. other academies with or without a designated religious character,

but in relation to each of the Academies to recognise and support their individual ethos, whether designated as Church of England schools or not.

The Trust is dedicated to serve young people, to help and enable them to become everything they can be and everything that they are meant to be.

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

| Objectives, Strategies and Activities | | |
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| Objectives 23-24 | Strategies Implemented in 23-24 | Achievements and Performance 23-24 |
| 1. All schools: trend of improvement in outcomes and progress for pupils or sustain where at a high level. School quality is verified by inspection. | <ul style="list-style-type: none"> The Blue Coat School P8: +0.5 Blue Coat 6th Form A-Level APS: 36.0 St Anne's CE Academy P8: -0.2 Mayfield Primary School KS2: R67%, W65%, M67% targeting national 2025 East Crompton St George's Primary School KS2 at national (72-74% in individual elements) and increase greater depth. <p>Inspections anticipated:</p> <ul style="list-style-type: none"> St Anne's CE Academy (Section 5) Mayfield Primary School (Section 8 or Section 5) East Crompton St George's Primary School (Section 5) The Blue Coat School SIAMS (Sept 2023) East Crompton St George's Primary School SIAMS. | <ul style="list-style-type: none"> Significant improvements in pupil outcomes and progress in 2023-24 including 2 schools within the highest levels of disadvantage – outcomes dipped at 1 primary. 1 secondary school now Ofsted "Good" in all categories. 1 primary school now Ofsted "RI" in leadership and management and quality of education (inspection pre-publication of outcomes). Secondary school which the CET is supporting to academization in 2025 moved from "RI" to "Good". Another primary with historically weak performance over a significant number of years has been directed to join CET. |
| 2. School and financial viability | <ul style="list-style-type: none"> Pupil numbers improve at St Anne's CE Academy to 5+ FE. Combined year groups at East Crompton St George's Primary School to manage staffing costs pending housing development off Linney Lane. SEND strategy to develop staff's knowledge and skill for adaptive teaching in all lessons and model across primary, especially to provide support for pupils who need to work at developmental as well as peer levels. Gradual management down of The Blue Coat School's deficit as bulge years are worked through. Estates costs have risen rapidly through national lack of investment. Development of Trust's Estates Strategy for deployment of SCA to address priorities in the oldest school in our estate. Condemned GT building adds further costs and constraints; approach LA again on Basic Need grounds to prevent school having to reduce its PAN. Plan for likely need to reduce PAN at BCA given level of need and overcrowding. . | <ul style="list-style-type: none"> Moved to mixed-age teaching at East Crompton St George's under executive leadership. St Anne's Academy pupil numbers continue to grow; SFE achieved but "bulge year" promised by LA did not materialise. Fully funded pay awards have significantly improved the financial position of all schools and the trust overall. Estates and capital costs remain challenging. PAN reduction at The Brian Clarke Academy not politically possible. |
| 3. SEND Strategy | <ul style="list-style-type: none"> School culture in all schools to welcome and value neurodiversity. Pupils with SEND to be integrated into peer group lessons with adapted teaching in line with developmental/cognitive needs allow. Staff trained for teaching in neurodiverse classrooms. Strategy in place in both secondary and primary to ensure provision for pupils with profound and complex additional needs. SENDCo training and support for SENDCos in their support for staff and teaching | <ul style="list-style-type: none"> Establishment of The Hive at East Crompton St George's for pupils with severe and complex needs, positive impact for pupils was immediate. Continuing focus on adapted curriculum and teaching in all schools; strong now in secondary, under development in primary. |

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

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| 4. Institutional and central capacity growth, in line with the agreed growth strategy, balancing strong schools which bring capacity and capability (educational, human, financial) with those that need support and intervention. | <ul style="list-style-type: none"> • Targeting of schools in line with growth strategy in Oldham and Rochdale – aim to convert 1 secondary and 3 primary FE by 2024-25, plus planning for +3 primary FE 2025-26. balancing capacity growth and need. NB impact of general election year on DfE business, building to 5 secondaries and 20 primary FE by 2029.. • Explore possible next stage of growth and CE sector in Manchester. • Succession strategy and plan to ensure we have the capacity to support a rapidly growing organisation, particularly re estates, governance, HR support and school improvement, developing our staff wherever possible and backfilling with people we train up. • Develop executive pay policy in line with DfE guidelines to ensure that the Trust is competitive in the market and link pay to performance. • Development of Headteachers as Executive Headteachers to support leadership of schools which join the Trust in rapid improvement; amend Teachers' Pay Policy to reflect. • Development of hub structure in Rochdale starting with IT and HR to support primary expansion. Plan/implement capacity for hub to develop The Brian Clarke CE Academy as the school grows. • Succession planning in governance, especially at Trust Board – skills audit. • Streamline and codify QA processes for oversight of quality of education at trust level, and to support local governance. | <ul style="list-style-type: none"> • Institutional growth outcomes exceeded expectations – 2 secondaries and 3 primaries (one directed) received an Academy Order. Size of trust will double in 2 years. • Hub structure in place at both St Anne's Academy (Rochdale) and The Blue Coat School (Oldham – HR) and The Brian Clarke Academy (Oldham - ICT). • Secondary School Improvement Operating Model in place. School Review process launched to determine levels of intervention and support. • Executive Headteacher Strategy underway with 2 in place. • Succession Strategy within executive team under development following growth – more rapid than anticipated, systems now stretched to capacity. • Executive pay policy developed with effect from 1st January 2025. |
| 5. Ensure quality and growth of teacher training development for recruitment, retention and reputation. | <ul style="list-style-type: none"> • Review of SCITT marketing – new website and socials based on research and knowledge of own area and patterns of recruitment. • Development of support team across SCITT and Hub(s) to ensure no single points of failure and strong institutional memory of how all the aspects work. • CRM to manage and collect data. • Successful launch of Modern Foreign Languages Hub. <p>Continue to build quality, reputation and reach of TS Hub, whilst deploying resources efficiently and with impact.</p> | <ul style="list-style-type: none"> • All objectives achieved. • New SCITT website and socials and recruitment was positive. • Central admin team in place • CRM being introduced • MFL Hub successfully launched. • AB service strengthened. • All aspects now contribute fully, effectively and consistently to the development of high-quality inclusive education. |
| 6. Ethos | <ul style="list-style-type: none"> • Continue to promote and develop the distinctive Christian ethos of designated church schools in a mixed trust committed to diversity and serving multi-cultural communities. | <ul style="list-style-type: none"> • Continued development of ethos. • Chaplain and worship co-ordinator network established. • Consistent verse for the year which underpins the worship in schools. • Successful SIAMS inspections at both The Blue Coat School and East Crompton St George's. |

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Public benefit

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

The key public benefit which the Trust aims to develop is the provision of continued high-quality education for all students through the objects, aims and strategies detailed above. The achievements against the annual objectives are also detailed above.

STRATEGIC REPORT

Achievements and performance

- see objectives, strategies and activities

Key Financial Performance Indicators

Performance in Pupil achievement and progress across the Trust is included in objectives, strategies and activities section on pages 6-7.

In relation to financial performance:

Maintenance of reserves - to ensure that the Trust retains enough general reserves to cover £200k of any emergency capital maintenance work and at least 8% of Trust revenue income £2,333k, total of £2,533k. [8% calculated on £29,158k total income below]

General Restricted and Unrestricted reserves carried forward on 31 August 2024 total £2,751k.

Annual staff costs benchmarking to ensure that staff costs remain within benchmarked national limits from the Kreston UK Academies Benchmark Report 2024. The 2024 data shows the following averages;

- o Staff costs % as total costs - average 72.6% - The Trust % for 23-24 is 68.7%.
- o Teaching staff to pupil ratio- average 25.1:1 for MATs, the Trust ratio for 23-24 is 19.2:1

To pursue and increase year on year alternative sources of revenue funding contributing to income received from educational operations. 23-24 has seen this continue to rise.

| Income | 2023-2024 £'000 | 2022-2023 £'000 | 2021-2022 £'000 | 2020-2021 £'000 |
|--------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|
| Donations excluding capital grants | 52 | 354 | 41 | 11 |
| Other trading activities excluding MAT and Teaching School Hub set up grants and balances transferred in on conversion and SCITT bursaries | 2,370 | 1752 | 1,636 | 1,093 |
| Investment income | 2 | 1 | 1 | 1 |
| Total income alternative sources | 2,372 | 1,752 | 1,677 | 1,105 |
| Funding from educational operations | 26,734 | 22,224 | 19,437 | 15,034 |
| Total income for comparison purposes excluding bursaries Teaching school hub set up grant and capital grants | 29,158 | 24,330 | 21,787 | 16,139 |
| Alternative source income as percentage of total income for comparison purposes | 8% | 7% | 9% | 7% |

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Going Concern

The Trust has received details of 2024/25 Department of Education funding and made assessment of the impact of potential changes and risk areas. Whilst risks and uncertainties remain as detailed in the principal risk section on pages 12 - 14, 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. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the success of the charitable company

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

(a) The likely consequence of any decision in the long term

The Governance structure of The Trust enables Trustees to engage with stakeholders and to understand the issues to which they must have regard. The Executive Leadership team will present evidence to the Trustees which gives them assurance over the decisions and strategies during the financial year made by the appropriate person with delegated authority within the organisation.

(b) The interests of the company's employees

The Trust's employees are the reason for its success, the basis of engagement with employees is included in the Trustee report on page 5. All employees have access to various well being services, participate in frequent training and are kept safe by strong health and safety policies. There are informal and formal feedback processes, and issues are addressed as quickly as possible.

(c) The need to foster the company's business relationships with suppliers, customers, and others

The Trust engages in relationships with its customers, suppliers and others in a business relationship with the Trust on a regular basis through various mediums. In engaging with suppliers, the Trust ensures procurement policies set out in the Trust's Financial Manuals are followed in relation to obtaining quotes and tendering. The Trust maintains a list of suppliers whose services are key to the operation of the Trust and with whom the Trust has developed good relationships but not to the detriment of remaining at arm's length and ensuring public procurement and best practice is adhered to. Through its Teacher training departments the Trust has a wide network of customers.

(d) The impact of the company's operations on the community and the environment

As part of our commitment to being a responsible and sustainable organisation, the Trust recognises the important role it plays in both the local community and the broader environment. Our operations directly impact students, families, staff, and the wider public by fostering inclusive educational environments that support student development, wellbeing, and achievement. We actively engage with local communities to understand their needs and to offer educational services that address key local issues, such as social mobility, mental health support, and the provision of extracurricular activities.

The Trust also recognises the need to care for the environment, and seeks to identify the areas of the organisation which have an environmental impact and to minimise this impact. Through our estates strategy the Trust constantly updates inefficient practices and strives to upgrade to more energy efficient solutions in capital improvement projects. The Trust encourages staff and suppliers to reduce environmental impact through reduced waste and energy consumption. Students are both taught environmental responsibility through the school curriculum and are encouraged to participate in practical initiatives.

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Promoting the success of the charitable company (continued)

(e) The desirability of the company maintaining a reputation for high standards of business conduct

The reputation and contributing performance of the Trust is critical to the deliverance of the best possible outcomes for the students. We endeavour to build long lasting and trusted relationships with the public, suppliers, delivery partners, and funding bodies. Our organisational values include excellence quality and achievement, and these are promoted throughout the Trust in everything we do. Recruitment, training and appraisals reinforces these values with staff.

(f) The need to act fairly as between members of the company

The Trust ensures its staff, governors Trustees and members are treated fairly through having a clear vision for the Trust which is communicated throughout the organisation by strong leaders through robust strategy and strong internal controls. The Trust respects and celebrates the diversity within our community and is committed to providing an environment which ensures that all students and staff are treated with dignity and respect. A positive learning and working environment is the aim of the Trust, free from discrimination, harassment, or victimisation.

Financial review

Statement of Financial Activities

Trust education operation income increased £4.5m in the period, due to additional intake at Brian Clarke and Mayfield as they fill to capacity and the two additional schools onboarded in March 2024 (Little Heaton) and April 2024 (St John Thornham).

Teaching School Income increased by £449k. Total income from other sources excluding Bursaries was £2,370k (2023: £1,754k), a £616k increase on the prior year. Income from other trading activities increased to £756k (2023: £504k).

Expenditure in 2023-24 overall has seen a £4.8 million increase on 2022-23. Pay awards and general market inflation have made a significant impact as they do every year, but the continued growth of the Trust is the biggest influence on this increase. The additional intakes continuing at Brian Clarke and Mayfield, plus the addition of two schools in March 2024 (Little Heaton) and April 2024 (St John Thornham) have consummately increased total Trust expenditure.

During the period ending 31 August 2024 total income excluding capital grants, gains and losses on endowment and pension fund and donations, including those relating to academy transfers into the Trust was £29,474,000 (2023: £24,262,000) and total operational expenditure before depreciation of £2,556,000 (2023: £1,767,000) was £29,373,000 (2023: £25,361,000) resulting in an operating profit (before depreciation, other gains and losses, but after FRS 102 defined benefit pension adjustments) of £101k (2023: operating loss of £1,099k). The total in year deficit on restricted general funds (excluding pension) was £155k (2023: £1,378k), the total in year deficit on unrestricted funds was £257k (2023: £259k surplus), resulting in an overall deficit of £412k (2023: £119k).

Financial position

The Trust at 31 August 2024 shows a solvent position with cash of £3,964k (2023: £3,981k), fixed asset investments of £548k (2023: £493k) and net current assets of £8,676k (2023: £3,177k).

Tangible Assets net book value has increased by £3,027k in year, net of depreciation applied in year. This is as a result of the value of assets transferred in on conversion of the two joining primary schools of £3,660k and the high value of capital projects taking place in 23-24 (see capital section below).

There has also been a £5,636k increase in debtors. This is also mainly linked to the capital projects listed in the capital section below. Significant parts of this income, including St John Thornham expansion funding and St Anne's extension funding, had been committed but not received at the year end and hence have been accrued as a debtor to recognise the income in the correct period.

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Financial review (continued)

Capital

Capital Grants and Donations of £7,523,000 (2023: £23,097,000) were received, including

- £4,726,000 of Local Authority funding for the expansion works at St John Thornham
- £580,000 of Local Authority funding for an extension at St Anne's Academy
- £578,000 of School Condition Allocation, first receipt of a Trust level estates allocation
- £571,000 for Connect the Classroom across all schools
- £477,000 of donated DfE fixed assets relating to the car park at Blue Coat
- £313,000 of SSICB funding relating to works at Little Heaton
- £120,000 of Free School Asset Funding relating predominantly to IT at Brian Clarke Academy

The total carry forward on the fixed asset fund is £5,914k;

- A Salix loan of £19k was part of the CIF funding received for heating upgrades at Blue Coat School in 21/22. This will be repaid over 8 years and hence is carried forward as a delayed contribution from GAG. Carry forward on the Salix loan for 23-24 is (£13k) (2023: (£15k)).
- Devolved Capital Funding of £10k (2023: £17k)
- School Condition Allocation of £578k (2023: £0k) has been carried forward unutilised this period
- Local Authority capital funding of £5,142k (2023: £0k) related to St Johns and St Anne's projects
- SSICB funding for Little Heaton works of £197k (2023: £0)

All the carry forwards relate to current or completed projects and only if these projects extend past the next accounts date would they carry forward to future years.

Reserves policy

The Trust has maximised reserves to provide a buffer for any funding cashflow delays, protection for future changes in funding and for capital estate investment/maintenance requirements as stated in the Key Performance Indicator section of the Trustees' report. The total level of reserves held by the Trust at 31 August 2024 is £72,160k (2023: £63,577k). The level of unrestricted general funds at 31 August 2024 is £2,235k (2023: £2,492k).

Restricted general reserves total £516k (2023: £671k) excluding the Trust's pension asset of £nil (2023: £nil). The actuarial losses in the year of £438k are because of the continued derecognition of the defined benefit pension asset, as discussed in the notes to the accounts.

The contribution rates of the March 2023 valuation updated to August 2024 have been incorporated into cashflow models. In Note 28, the Department of Education has guaranteed that in the event of Trust closure, any outstanding Local Government pension liability will be met by the Department.

During the year £313,000 of restricted general funds were transferred to fixed asset reserves to be utilised on capital acquisitions. Where possible capital funding is used to reduce the amount required to transfer from restricted general funds, these have been necessary purchases required for the schools operations past the funding received which is already allocated to other projects. For instance £127k was for rolling IT replacement costs and £172k for refurbishment projects.

Future capital acquisitions will be assessed as to whether these can be met by restricted general funds in the period or will be met from unrestricted funds.

The value of unrestricted reserves is £2,235,000 (2023: £2,492,000). These are freely available for general purposes and will be allocated in line with the strategic objectives of the Trust and the Trust reserve policy. The endowment fund has been revalued at the end of the period to £548,000 showing a £55,000 gain in 23-24.

Details of the Trust's target reserves are included within the Key Performance Indicators on page 8. The Trustees are satisfied that the level of reserves is broadly in line with target.

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Reserves policy (continued)

Restricted fixed asset reserves total £68,861,000 (2023: £59,921,000) and includes;

- the value of the assets and capital balances transferred by the local authority and the Manchester Diocesan Board of Education to the Trust on conversion of the secondary school in 2011 (The Blue Coat School)
- the NBV of two primary schools in period ended 31 August 2016 (Mayfield and East Crompton St Georges)
- the NBV of assets of St Anne's transferred on 1 March 2021
- the value of the Brian Clarke Academy permanent building donated to the Trust on completion of the school
- the NBV of Little Heaton Primary and St John Thornham, transferred 1 March 2024 and 1 April 2024 respectively.

The restricted fixed asset reserve also includes the funding of assets through grant income since conversion, any balance on capital funds received and not spent £5,914,000 (2023: £2,000) and is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Investment policy

The investment policy requires the Trust to maintain sufficient funds to cover expenditure identified through revenue and capital cashflow predictions before considering any investment opportunities. The investment objectives include:

- achieving best financial return available whilst maintaining security of deposits
- to protect the capital value of any investment from risk of loss and inflation
- exercise investment appraisal with care and skill

Surpluses for investment will be identified and documented by Academy but amalgamated to maximise investment potential. For 23-24, Trustees have continued to defer the investment of any reserves to protect cash flow while estates projects are progressing and while establishing the continued growth of the Trust.

Endowment policy

The Trust has an Endowment policy in relation to the investment transferred to the Trust from St Anne's on 1 March 2021 and ring fenced for St Anne's use. The endowment policy states that the Trust Board as Corporate Trustees of the Endowment has delegated responsibility to the Audit Risk and Finance Committee, to review and monitor the Endowment – in particular to:

- Consider the effectiveness of the investment of the funds in maximising return whilst minimising the risk of loss or future erosion of the capital sum
- Consider the need for appropriate independent financial advice in relation to any potential investment
- Monitor the levels of reserve to ensure that funds remain above the original investment level
- Undertake regular reviews of the Endowment funds and report to the Trust Board
- Consider any requests for the use of the unapplied investment return or dividend income

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed during the period. The principal risks are identified as follows:

Educational risk - quality of education and progress and outcomes of pupils

All our schools are in areas of high disadvantage. Baseline entry data in 2 schools is significantly below national and just on national in a third. Our new free school will also serve an area of high deprivation. This is compounded by the impact of Covid in NE Manchester and the disruption caused and ongoing to education, and to families. Mitigated by:

- 1) precision curriculum in primary to address learning loss and prevent the gap widening.
- 2) curriculum and pedagogical review and ongoing development in secondaries
- 3) pupil premium end recovery strategies in all schools
- 4) investment in IT equipment, dongles to address the digital divide plus online learning and pastoral provision.

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Principal risks and uncertainties (continued)

Educational risk - Teacher recruitment and retention with national recruitment shortage

This particularly affects secondary subject specialist teachers, leadership recruitment, specialist support staff. Mitigate through SCITT development and strategy for forthcoming market review of ITE; development of trust retention strategy particularly around staff wellbeing focusing on those areas that build loyalty, reduce the stressors where we can, and protective resilience.

Educational risk – Admission levels in school and admission criteria in church schools

Impact on school budgets, education provision, viability, and financial and educational strain on the Trust. Mitigate these risks through appointment of marketing manager and marketing consultant to build strategy, reinstate attendance criteria. Review of admissions and policies and creation of admissions committee.

Financial Risk

Funding within education is always tight and with little opportunity to increase funding, generate more income or significantly further reduce cost this leaves the Trust vulnerable to pressures in the external economic environment. In recent years the impact of general inflation, specific energy inflation and unfunded pay awards have been very difficult to absorb. Mitigate by close monitoring and scrutiny of budgets and holding a Trust reserve to allow short term budget difficulties to be navigated.

Cyber Risk

All Trust departments may be affected through ransom phishing for bank details to make a financial gain from Trust. Staff Trust operationally disabled and held to ransom. Mitigate through internal scrutiny to highlight gaps in security, software to detect penetration into Trust IT, registered with Police cyber alarm and National cyber security centre early warning.

Financial Market Risk

The Trust holds an endowment fund gifted to St Annes, the specific monitoring and governance of which is covered in the Endowment Policy. The endowment is held in an equity fund and as such are exposed to stock market movements, with a risk that due to market movements the fund falls below its initial bequeathed value and the Trust would incur cost to reimburse this difference.

Growth Risk – New Joiners

Potentially bringing in, through re-brokerage, schools in future years some of which may be judged “inadequate” also involve political challenges and reputational risk. To mitigate this the Trust is developing its marketing and communications strategy, particularly through social media, to offset any negative publicity and building relationships with key individuals and bodies whose support/influence can have a positive effect to attract schools to joining the Trust and when faced with detractors with a particular agenda.

Growth Risk – Free Schools

Where expansion projects not delivered on time – pressure on quality of education provision, cost management, admissions, use of temporary accommodation. To mitigate -contingency planning prepared, communication channels maintained and used to actively pursue early works to mitigate issues, use of technical adviser by Trust to consider options, monitor costs closely.

Growth Management Risk

Expansion of the Trust could potentially deplete Trust resources and result in an inability to back fill due to funding. Actions taken by the Trust to mitigate this risk include plans to increase central capacity (both human and through more efficient automated systems), detailed planning of expansion requirements including management of pre-opening resources and application for emergency school improvement and potential transition/capacity funding for re-brokerage.

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Principal risks and uncertainties (continued)

Key Personnel Recruitment, Retention and Succession Risk

The risk of long-term sickness and any lack of succession, retention, development, and recruitment of key staff. Actions taken by the Trust include protocols set for safe recruitment and use of online interviewing and online and remote provision of training and mentoring. The SCITT and leadership programmes to support teaching staff, a robust pay policy, use of staff surveys, expansion of the appraisal process to include career aspirations, monitoring of market forces and consideration of succession planning for key personnel.

Pension schemes

The Trust's employees are members of two defined pension schemes, the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). The Trust has recognised its share of assets and liabilities of the LGPS in accordance with FRS102 and as a result an asset has been included in the accounts for 31 August 2024. The TPS has been accounted for as a defined contribution scheme. Due to the nature of the two schemes, there is an underlying risk to the Trust relating to the uncertainty of the future funding requirements of each scheme, the results of which impact on the contribution rates for future employer contributions to each scheme.

Teacher Training and Development

New activities and responsibilities for the Trust delivery against KPIs. Reputational risk if programmes are not rolled out in time and are not to standard. Actions taken by Trust include recruitment of skilled resource both internal and external to aid set up and management of the programmes and financial internal controls. Funding is also dependent on reaccreditation of Teaching School Hub and SCITT on a cyclical basis.

Fundraising

The Trust has little activity in this area. No professional advisers or commercial participators are used to raise funds. Only small amounts are generated mainly from primary activities with parents. All fundraising undertaken during the year was monitored by the Trustees.

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Streamlined energy and carbon reporting

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for 1 September 2023 to 31 August 2024

| | 2024 | 2023 |
|--------------------------------------------------------------|-----------|-----------|
| Energy consumption used to calculate emissions (kWh) | 3,867,381 | 4,589,705 |
| Gas [kWh] | 2,700,680 | 3,062,035 |
| Electricity [kWh] | 1,166,700 | 1,527,670 |
| Transport Fuel [Litre] | 1,387 | 1,387 |
| Scope 1 emissions in metric tonnes CO ₂ e | 551 | 624 |
| Gas consumption | 547.3 | 620.59 |
| Owned transport – mini-buses | 3.49 | 3.48 |
| Scope 2 emissions in metric tonnes CO ₂ e | 241.57 | 316.34 |
| Purchased electricity | 241.57 | 316.34 |
| Purchased electricity renewables | - | - |
| Scope 3 emissions in metric tonnes CO ₂ e | 0.63 | 3.03 |
| Business travel in employee owned vehicles [petrol / diesel] | 0.63 | 3.03 |
| Business travel in employee owned vehicles [electric] | - | - |
| Total gross emissions in metric tonnes CO ₂ e | 792.95 | 943.43 |
| Total number of students within the trust | 3,775 | 3,184 |
| Intensity ratio Tonnes CO ₂ e per pupil | 0.21 | 0.30 |

Qualification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and we have used the 2024 UK Government's Conversion Factors for Company Reporting. While every effort has been made to include all relevant usage, estimated readings have been used in some instances where the information for the full period was not freely available. This is not judged to have any significant effect on the figures reported and they are representative.

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

Discussions have been held with an energy consultant about a strategic approach to energy management, training and procurement. Capital works at Little Heaton Primary have improved the heating and ventilation in the school. There has been concrete effort across the schools to reduce waste and energy usage.

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Plans for Future Periods

| Aims and Objectives | Planned Activities |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. High Quality Inclusive Education: School Improvement at Scale | <ul style="list-style-type: none"> • Performance indicators for schools (outcomes, progress, inspection judgments) improve or where at a high level, are sustained. Stabilization of sponsored school is achieved; leadership structure to reinforce what has been put in place and enable the reconstruction. • School Improvement Operating Model is fully established at secondary; capacity at subject leadership level increases; Executive Headteacher model strengthens improvement. • School Improvement Operating Model launched at primary, with emphasis (as in secondary) on leadership development, support and challenge. • Primary expansion strategy. |
| 2. Capacity of central executive governance and finance teams to support schools in focusing on improvement and enable strategic governance | <ul style="list-style-type: none"> • New roles and structures are in place. • Review of budgeting to ensure fair distribution of costs, especially where schools contribute significant capacity. • Review of Safeguarding policy, processes and procedures to assure the Trust Board as the size of the family doubles. • Review of Scheme of Delegation to clarify levels of delegation to executive and Local Governing Committees and enable Trust Board to focus at the top strategic level. |
| 3. Estates Strategy | <ul style="list-style-type: none"> • Successful completion of major capital projects (expansion at St John's Thornham, St Anne's CE Academy) • Successful transfer of complex estates of The Radclyffe School and Saddleworth School. • Resolution of the funding to replace the ROSLA building at The Blue Coat School. |
| 4. Responsiveness and strategy for anticipated changes following the change of government/local challenges | <ul style="list-style-type: none"> • Responding effectively to curriculum and assessment change. • Inspection changes in short and longer term. • Continuing challenge of resourcing of SEN provision and how this is ensured in mainstream classrooms. • Pupil place planning and sufficiency. • Budgetary pressures and equity for pupils. • Community cohesion challenges, racism, islamophobia, impact of international events on the lives of our young people and staff. |
| 5. Trust quality as an employer and ethos as a public body responsible for designated CE schools. | <ul style="list-style-type: none"> • Continuing development of People Strategy with strong emphasis on wellbeing and workload, feeding into recruitment and retention. • Distinctive ethos promoting multi-ethnic, multi-faith and multi-cultural communities, grounded in Christian teaching in designated faith schools and in ethical principles of the shared common good in our community schools. |
| 6. Trust Growth | <ul style="list-style-type: none"> • Successful onboarding of three schools with academy orders in 24-25; St Matthews Primary, The Radclyffe School and Saddleworth School • Consolidated following significant growth in 23-24 and 24-25 • Develop Primary expansion strategy aligned with current growth strategy |

CRANMER EDUCATION TRUST

TRUSTEES' REPORT

Funds held as custodian trustee on behalf of others

The Trust does not hold, and the Trustees do not anticipate that it will in the future hold any funds as custodian for any third party.

Auditor

RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to disclosure of information to auditor

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 13 December 2024 and signed on the Board's behalf by:



J Gregory
Chair of Trust Board

CRANMER EDUCATION TRUST

GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees formally meets 4 times during the year. Whilst The Board of Trustees meets less than 6 times a year, The Trustees have established committees to give specific focus to the business of the Trust and each committee has delegated responsibilities as outlined in the Scheme of Delegation; Audit, Risk and Finance, Admissions, People Strategy and Policy and Standards. The committees are made up of Trustees, which report to board. This structure allows effective oversight with more in-depth accountability and governance. Attendance during the year at meetings of the Board of Trustees was as follows:

| Trustees | Meetings attended | Out of possible |
|----------------------------------------------------------------------------------------|-------------------|-----------------|
| J Gregory (Chair of Trust Board) | 3 | 4 |
| J A Hollis (Accounting Officer and Chief Executive Officer of Cranmer Education Trust) | 4 | 4 |
| T Mitchell | 4 | 4 |
| E Moores | 3 | 4 |
| P Winter (Chair of Audit, Risk & Finance Committee) | 4 | 4 |
| S Curley | 3 | 4 |
| D Royle | 3 | 4 |
| Reverend J Rosedale | 4 | 4 |
| R Lamb | 3 | 4 |

During the period 2023-24, Trustees competently and effectively dealt with the following areas:

- Capacity of the Trust to grow and strengthen.
- Performance of the schools and specifically leadership.
- Two new schools added to the Trust mid year
- Confirmation of 3 schools resolved to join the Trust in the next year

Risk areas and actions taken to mitigate:

- Work undertaken by the Trust towards the opening of The Brian Clarke CE Academy
- Metrics showing trends re Trust performance educationally and financially
- Health and Safety reviews
- Estates matters related to expansion works at St John Thornham, significant works at Little Heaton Primary and St Annes
- Policy development.

Challenges for the Board:

- Growth, in the context of national changes to the academisation and re-brokerage policies
- Capacity of the Board and the need to ensure a range of strategic expertise and succession and monitoring of delegated tasks
- Capacity of the Trust to resource and fund growth
- Growth of admissions in schools to maximize funding

CRANMER EDUCATION TRUST

GOVERNANCE STATEMENT

Data used by Board

The Board uses a summary dashboard including financial and educational performance. Termly data is consolidated for Trustees in respect of Health and Safety and safeguarding reviews by Local Governors. Trust provides Governor Hub facilities for the sharing of data to Governance. The data provided to the Board is therefore sufficient quantity and quality to enable the Board to understand the Trust's status and challenge positions.

Audit, Risk and Finance Committee

The Audit, Risk and Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value-for-money framework through appointment, planning and review of internal scrutiny/external auditor work and review of the effectiveness of internal controls. It also monitors the risk profile of the Trust and approves the Academy Risk register and Business Continuity Plan. The meetings of this Committee alongside the full Trust Board meetings and the regular monthly distribution to the Chairs of the Trust Board and the Audit and Finance Committee of the finance position of the Trust ensures that Trustees meet the requirements of maintaining effective oversight of funds.

The Audit, Risk and Finance Committee met 3 times in the year.

Attendance at meetings in the year was as follows:

| Trustees | Meetings attended | Out of possible |
|-----------------------------------------------------|-------------------|-----------------|
| T Mitchell | 2 | 3 |
| E Moores | 0 | 3 |
| P Winter (Chair of Audit, Risk & Finance Committee) | 3 | 3 |
| S Curley | 1 | 3 |
| D Royle | 3 | 3 |

People Strategy and Policy Committee

A Pay Committee was established during 2018-19 to review national pay awards for teachers and support staff and to review salary ranges and recommend/approve performance awards for CEO, Headteachers and Executive staff. The committee changed its name to Pay and Personnel Committee in July 2021 and expanded its remit to include the review of policy and consultation outcomes with the JCNC. Trust Board then agreed to change the name of the Committee to the People Strategy and Pay Committee on 25th April 2024. Decisions on Significant Change and appeals against significant change are now made at Trust Committee level, acting for the employer. The committee met twice, in October 2023 and in July 2024. Additional members would be added to the committee to increase capacity in 2024-25.

Attendance at the meetings in the year was as follows:

| Trustees | Meetings attended | Out of possible |
|--------------------|-------------------|-----------------|
| T Mitchell (Chair) | 2 | 2 |
| E Moores | 1 | 2 |
| R Lamb | 0 | 2 |

Standards Committee

A Standards Committee was established in 2019-20 to focus on standards across the educational institutions owned and operated by the Trust. The Standards Committee met 2 times in the year.

Attendance at the meetings in the year was as follows:

| Trustees | Meetings attended | Out of possible |
|---------------------|-------------------|-----------------|
| R Lamb (Chair) | 2 | 2 |
| Reverend J Rosedale | 2 | 2 |
| J Gregory | 2 | 2 |
| Darren Royle | 2 | 2 |

CRANMER EDUCATION TRUST

GOVERNANCE STATEMENT

Admissions Committee

An Admissions Committee was established in 2020-21 to monitor and review each schools admissions policy and oversee consultations on admissions. The Admissions Committee were planned to meet 2 times in the year, however, as there were no material changes to the admissions criteria from any of the trust schools and no consultation was required, the committee only needed to meet once in November 2023.

Attendance at the meetings in the year was as follows:

| Trustees | Meetings attended | Out of possible |
|---------------------|-------------------|-----------------|
| J Gregory (Chair) | 1 | 1 |
| R Lamb | 1 | 1 |
| Reverend J Rosedale | 1 | 1 |

Governance reviews

The last external review of Governance was undertaken by Sandra Moss LLB Hons (Barrister) between Dec 22 and Feb 23 as part of the Trusts internal scrutiny programme, published February 23.

Recommendations included:

- Avoiding overlapping membership of Trust Board and Local Governing Committees
- Increased board diversity
- Succession planning for key strategic leadership
- More formal link Trustees for key area
- Trust Board facilitated away day to discuss strategy away from board meetings

Overall effectiveness of Governance was rated as "Green" in all areas (Strategic Leadership, Accountability, People, Structures, Compliance, Evaluation) which is the highest designation given.

The main areas of strength were:

- Strength and depth of skillset and experience across the members and the board
- CEO and wider executive having a clear strategy
- Experience of governance professionals in the Trust to ensure effectiveness and compliance
- All involved in governance are trained and understand the vision and strategy

The Trust Board facilitated away day was on the 11th October 2024, where risk, composition of committees, additional committees, and Trustee responsibilities were discussed by the board members.

Governance will continue to be reviewed in 24/25 as the Trust grows and additional committees are required, this will require formal review.

Review of value for money

As Accounting Officer, the Chief Executive Officer 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 as well as estates safety and management 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 Trust Board where value for money can be improved, including the use of benchmarking data or using a framework where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Significant capital works and IT grants have been managed by the Trust through use of approved frameworks and consultants to achieve best value
- Estates strategy has been introduced to ensure best use of capital funding
- Review and benchmark of Trust contracts for services that are central to the running of the Trust to ensure value for money is achieved through all the academies.

CRANMER EDUCATION TRUST

GOVERNANCE STATEMENT

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 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 Trust for the year to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Trust Board 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 Trust Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust Board.

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 Audit, Risk and Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal scrutiny function and appointed Juniper Education to carry out an independent internal scrutiny.

The internal reviewer's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. During the year the internal scrutineer was employed to undertake work on the following areas:

- Wellbeing
- Recruitment
- Budgeting and Forward Planning

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

The internal scrutineer summary for 23/24 rated the Cranmer Education Trust their highest designation of "Good". Full assurance can be given to the Trust Board that the controls relied upon at the time of scrutiny were suitably designed, consistently applied and effective in their application.

Managing Conflicts of Interest

The Trust Conflict of Interest Policy requires all Members, Directors, Governors and staff to declare interests, financial or otherwise, in companies or individuals from whom the Trust considers, or decides, to obtain goods or services, on Register of Business Interests (ROBI) forms. The ROBI is held for each academy at the academy site, must be open to public inspection and regularly updated. Relevant disclosures by Members, Directors and Governors and Accounting Officer must be posted to the Trust website and highlighted within the statutory accounts as required by the Accounts Direction and Charities SORP and may be made available on request under the Freedom of Information Act. The Trust Board must keep their register of interest up to date.

CRANMER EDUCATION TRUST

GOVERNANCE STATEMENT

Review of effectiveness

As Accounting Officer, the Chief Executive Officer has responsibility of reviewing the effectiveness of the system of internal control. During the year ended 31 August 2024 the review has been informed by:

- the work of the internal reviewer
- the work of the external auditor
- the school resource management self – assessment tool and
- 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 Audit, Risk and Finance Committee and a plan to ensure continuous improvement of the system is in place.

Conclusion

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees on 13 December 2024 and signed on its behalf by:



J Gregory

Chair of Trust Board



J A Hollis

**Accounting Officer and Chief Executive
Officer of Cranmer Education Trust**

CRANMER EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Cranmer Education Trust, I have considered my responsibility to notify the Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the Trust's board of trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Trust Handbook 2023.

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

Julie Hollis

J A Hollis
Accounting Officer

13 December 2024
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CRANMER EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Cranmer Education Trust for the purposes of company law) are responsible for preparing the trustees' report (including the strategic report) and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the Trustees are required to:

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

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

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

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

Approved by order of the members of the board of trustees on 13 December 2024 and signed on its behalf by:



J Gregory
Chair of Trust Board

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRANMER EDUCATION TRUST

Opinion

We have audited the financial statements of Cranmer Education Trust (the "charitable company") for the year ended 31 August 2024 which comprise the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 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 charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRANMER EDUCATION TRUST (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 24, the Trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRANMER EDUCATION TRUST (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academy Trust Handbook and Academies Accounts Direction. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and income recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed for management override of control included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates. For income recognition, audit procedures performed included performing substantive tests of detail in respect of the census return underlying the funding allocation for the current year, and agreeing allocations to supporting documentation.

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

Use of our report

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

Laura Inglesby

Laura Inglesby FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Ninth Floor
Landmark, St Peter's Square
1 Oxford Street
Manchester
M1 4PB

13/12/24

CRANMER EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

| | | Unrestricted Funds | Restricted General Funds | Restricted Fixed Asset Funds | Endowment Funds | Total 2024 | Total 2023 |
|---------------------------------------------------------|-------|-----------------------|--------------------------------|------------------------------------|--------------------|---------------|---------------|
| | Notes | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Income and endowments from: | | | | | | | |
| Donations and capital grants | 4 | 52 | - | 7,523 | - | 7,575 | 23,451 |
| Donations - transfer from local authority on conversion | 30 | - | 186 | 3,660 | - | 3,846 | - |
| Charitable activities: | | | | | | | |
| - Funding for educational operations | 5 | 797 | 25,937 | - | - | 26,734 | 22,224 |
| - Teaching school | 5 | - | 1,982 | - | - | 1,982 | 1,533 |
| Other trading activities | 6 | 224 | 532 | - | - | 756 | 504 |
| Investments | 7 | 2 | - | - | - | 2 | 1 |
| Total | | 1,075 | 28,637 | 11,183 | - | 40,895 | 47,713 |
| Expenditure on: | | | | | | | |
| Charitable activities: | | | | | | | |
| - Educational operations | 9 | 1,242 | 26,467 | 2,556 | - | 30,265 | 25,718 |
| - Teaching school | 9 | - | 1,664 | - | - | 1,664 | 1,410 |
| Total | 8 | 1,242 | 28,131 | 2,556 | - | 31,929 | 27,128 |
| Gains on endowment investments | 15 | - | - | - | 55 | 55 | 31 |
| Net income/(expenditure) | | (167) | 506 | 8,627 | 55 | 9,021 | 20,616 |
| Transfers between funds | 21 | (90) | (223) | 313 | - | - | - |
| Other recognised gains/(losses) | | | | | | | |
| Actuarial losses on defined benefit schemes | 28 | - | (438) | - | - | (438) | (287) |
| Net movement in funds | | (257) | (155) | 8,940 | 55 | 8,583 | 20,329 |
| Reconciliation of funds | | | | | | | |
| Total funds brought forward | | 2,492 | 671 | 59,921 | 493 | 63,577 | 43,248 |
| Total funds carried forward | | 2,235 | 516 | 68,861 | 548 | 72,160 | 63,577 |

CRANMER EDUCATION TRUST**BALANCE SHEET****AS AT 31 AUGUST 2024**

| | | 2024 | | 2023 | |
|---------------------------------------------------------|--------------|---------------|----------------------|--------------|----------------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | | | | | |
| Tangible assets | 14 | | 62,947 | | 59,920 |
| Investments | 15 | | 548 | | 493 |
| | | | <u>63,495</u> | | <u>60,413</u> |
| Current assets | | | | | |
| Debtors | 16 | 6,357 | | 721 | |
| Cash at bank and in hand | | 3,964 | | 3,981 | |
| | | <u>10,321</u> | | <u>4,702</u> | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 17 | (1,645) | | (1,525) | |
| Net current assets | | | <u>8,676</u> | | <u>3,177</u> |
| Total assets less current liabilities | | | <u>72,171</u> | | <u>63,590</u> |
| Creditors: amounts falling due after more than one year | 18 | | (11) | | (13) |
| Net assets excluding pension asset | | | <u>72,160</u> | | <u>63,577</u> |
| Defined benefit pension scheme asset | 28 | | - | | - |
| Total net assets | | | <u><u>72,160</u></u> | | <u><u>63,577</u></u> |
| Funds of the Trust: | | | | | |
| Restricted funds | 21 | | | | |
| - Restricted fixed asset funds | | | 68,861 | | 59,921 |
| - Restricted income funds | | | 516 | | 671 |
| - Endowment funds | | | 548 | | 493 |
| Total restricted funds | | | <u>69,925</u> | | <u>61,085</u> |
| Unrestricted income funds | 21 | | <u>2,235</u> | | <u>2,492</u> |
| Total funds | | | <u><u>72,160</u></u> | | <u><u>63,577</u></u> |

The financial statements on pages 28 to 57 were approved by the board of trustees and authorised for issue on 13 December 2024 and are signed on their behalf by:

Janet Gregory

J Gregory

Chair of Trust Board

CRANMER EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

| | Notes | 2024 £'000 | 2023 £'000 |
|--------------------------------------------------------------------------|-------|---------------|---------------|
| Cash flows from operating activities | | | |
| Net cash used in operating activities | 25 | (377) | (218) |
| Cash flows from investing activities | | | |
| Cash funds transferred on conversion | 30 | 47 | - |
| Dividends, interest and rents from investments | | 2 | 1 |
| Capital grants from DfE Group | | 1,485 | 718 |
| Capital funding received from sponsors and others | | 273 | - |
| Purchase of tangible fixed assets | | (1,445) | (1,046) |
| Net cash provided by/(used in) investing activities | | 362 | (327) |
| Cash flows from financing activities | | | |
| Repayment of long term bank loan | | (2) | (2) |
| Net cash used in financing activities | | (2) | (2) |
| Net decrease in cash and cash equivalents in the reporting period | | (17) | (547) |
| Cash and cash equivalents at beginning of the year | | 3,981 | 4,528 |
| Cash and cash equivalents at end of the year | | 3,964 | 3,981 |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

General information

Cranmer Education Trust is a Charitable Company (the "Trust"). The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' Report.

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

Basis of preparation

The financial statements of the Trust have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Going concern

The Trustees have reviewed and approved budgets and reviewed cashflow forecasts for 2024/25, 2025/26 and 2026/27 to ensure the MAT is able to continue to operate safely, and considered the following:

- The MAT's current financial position and brought forward reserves
- Its financial plans and assumptions (including projected student numbers)
- The funding pressures and external environment, particularly in terms of pay awards and inflation
- The impacts, both positive and negative, of the expected growth of the Trust in the short, medium and long term

In the light of this review the trustees have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. The trustees therefore consider it appropriate to prepare the financial statements on a going concern basis.

Conversion to an academy trust

The transfer from a state maintained school into 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 net assets transferred on conversion of St John's CE Thornham Primary School and Little Heaton Church of England Primary School were transferred in to the Trust and 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 Donations - transfer from the Academy Trust on conversion in the Statement of Financial Activities and analysed under restricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in Note 30.

Income

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

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

Grants

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

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

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

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 at fair value of the consideration received or receivable in the period it is receivable and to the extent the Trust has provided the goods or services.

Donated goods, facilities and services

Donated facilities and services are measured based on the value to the Trust. Income is credited to the SOFA.

Donated fixed assets

Where the donated good is a fixed asset or short term asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies or if this donation is considered to be consumed in less than 12 months this will be classified as a current asset.

Interest receivable

Interest receivable is included in the SOFA on a receivable basis, and is stated inclusive of related tax credits.

Endowment income

Endowment income is recognised in the period it is received.

Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

Charitable activities

These are costs incurred on the Trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

Tangible fixed assets and depreciation

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than licenced land and assets under construction, so as to write off the cost of assets less their residual values on a straight line basis over their useful lives on the following bases:

| | |
|----------------------------------------------|----------------------------|
| Leasehold land and buildings | 2% per annum |
| Plant and machinery | 10% per annum |
| ICT/Educational equipment and motor vehicles | 20% - 33% per annum |
| Assets in the course of construction | No depreciation is charged |
| Major school improvements | 5% per annum |

Where an asset comprises of two or more components that have substantially different useful lives, each component must be depreciated separately over its useful economic life.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

Where leasehold land and buildings are in the construction phase, and the site is managed by the DfE project team and construction costs are funded by the DfE, the asset is not recognised in the financial statements as the site is not in educational use. Where the academy trust has partially funded the construction, these costs are classified as assets under construction.

When control of the land and buildings passes to the academy trust, it is recognised as freehold land and buildings, and within donations and capital grants in the Statement of Financial Activities.

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 SOFA.

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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

Leased assets

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

Investments

Fixed asset investments are stated at market value.

Financial instruments

The Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments. The Trust only holds basic financial instruments as defined in FRS 102.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

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

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

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

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

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

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

Pensions benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer 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 Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS is a funded multi-employer scheme and the assets are held separately. 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 reporting date. The amounts charged to net income are current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised as other comprehensive income. Actuarial gains and losses and the effect of the asset ceiling are recognised immediately as other comprehensive income.

The LGPS assets are managed by the scheme trustees at scheme level, and the determination/allocation of assets to each individual employer in the scheme is managed by the scheme actuary. The assets are allocated to each employer for accounting purposes based on the valuation of the assets at the latest triennial valuation as adjusted for subsequent contributions received from the employer, asset returns and benefit payments made (either on a cash basis or actuarial basis).

The retirement benefit obligation recognised represents the deficit or surplus in the defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the DfE, ESFA and RSC.

Endowment fund was a trust fund set up by the sponsors of St Anne's CE Academy which was transferred to the Trust on 1 March 2021. It is fully invested in an Endowment Trust Fund run by Fundsmith investors – Fundsmith Equity Fund T Class Inc. The fund is governed by an Endowment policy and any gain in value or dividends received ring fenced for St Anne's use.

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies (Continued)

Agency arrangements

The Trust acts as an agent in the administering of 16-19 Vulnerable Bursary Funds from the ESFA. Related payments received from the ESFA and subsequent disbursements to students are excluded from the SOFA to the extent that the Trust does not have a beneficial interest in the individual transactions. Where funds have not been fully applied in the year then an amount will be included as amounts due to the ESFA.

Short-term employment benefits

Short-term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render services to the Trust. The cost of any unused holiday entitlement the Trust expects to pay in future periods is recognised in the period the employees' services are rendered.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit obligation 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 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions obligation as at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension obligation.

Fixed assets

Fixed asset expenditure in the accounts for the purpose of depreciation is based on an estimate of the expected useful life for each asset involved. Assets have been categorised into set bases of expected life in order to simplify the calculation and disclosure of the basis of depreciation. The amount of depreciation subject to uncertainty is £2,556k (2023: £1,767). Any change in this estimate would have a resulting impact on the net book value of the assets of £62,947k (2023: £59,920k) stated in the balance sheet. The useful life basis are described in note 1.

Property Valuations

The valuation and split between leasehold land and buildings are key areas of estimation, and useful economic life of the land and buildings is a key area of judgement.

When new schools join the Trust, the new school land and buildings are included at a valuation at the date of transfer. This valuation is then treated as deemed cost. Management have taken advice from professional valuers in determining the amounts at which those buildings are included in the financial statements.

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

2 Critical accounting estimates and areas of judgement (Continued)

Critical areas of judgement

Local government pension scheme

Determining the existence of a minimum funding requirement for the Local Government Pension Scheme to be included in the asset ceiling in measuring and recognising a surplus in the scheme. This judgement is based on an assessment of the nature of the scheme as a statutory scheme and its inherent implied continuance as well as the operation of the primary and secondary contributions.

3 Statement of financial activities - comparative year information

| | Unrestricted | Restricted | Restricted | Endowment | Total |
|-----------------------------------------------------|--------------|----------------|---------------|-----------|---------------|
| Year ended 31 August 2023 | Funds | General | Fixed Asset | Funds | 2023 |
| | £'000 | Funds | Funds | £'000 | £'000 |
| | | £'000 | £'000 | | |
| Income and endowments from: | | | | | |
| Donations and capital grants | 354 | - | 23,097 | - | 23,451 |
| Charitable activities: | | | | | |
| - Funding for educational operations | 649 | 21,575 | - | - | 22,224 |
| - Teaching school | - | 1,533 | - | - | 1,533 |
| Other trading activities | 155 | 349 | - | - | 504 |
| Investments | 1 | - | - | - | 1 |
| Total | 1,159 | 23,457 | 23,097 | - | 47,713 |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| - Educational operations | 900 | 23,051 | 1,767 | - | 25,718 |
| - Teaching school | - | 1,410 | - | - | 1,410 |
| Total | 900 | 24,461 | 1,767 | - | 27,128 |
| Gains on endowment investments | - | - | - | 31 | 31 |
| Net income/(expenditure) | 259 | (1,004) | 21,330 | 31 | 20,616 |
| Transfers between funds | - | (374) | 374 | - | - |
| Other recognised gains/(losses) | | | | | |
| Actuarial losses on defined benefit pension schemes | - | (287) | - | - | (287) |
| Net movement in funds | 259 | (1,665) | 21,704 | 31 | 20,329 |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

4 Donations and capital grants

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2024 £'000 | Total 2023 £'000 |
|----------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Donated fixed assets | - | 478 | 478 | 22,408 |
| Capital grants | - | 7,045 | 7,045 | 689 |
| Other donations | 52 | - | 52 | 354 |
| | <u>52</u> | <u>7,523</u> | <u>7,575</u> | <u>23,451</u> |

During 23-24, as part of the Free School project which built Brian Clarke Academy, the Blue Coat school received a donated asset of a car park on the site of the temporary accommodations of Brian Clarke Academy, which was on Blue Coat School's site, at a fair value of £478,000 which was based on the build cost to DfE.

5 Funding for the Trust's charitable activities

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2024 £'000 | Total 2023 £'000 |
|-----------------------------------------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Funding for academy trust's educational operations | | | | |
| DfE/ESFA grants | | | | |
| General annual grant (GAG) | - | 18,793 | 18,793 | 15,947 |
| Other DfE/ESFA grants: | | | | |
| - 16-19 core education funding | - | 2,480 | 2,480 | 2,250 |
| - Pupil premium | - | 1,132 | 1,132 | 920 |
| - Start up grants | - | 420 | 420 | 245 |
| - DfE Supplementary grant | - | - | - | 728 |
| - Teachers' pension grant | - | 267 | 267 | 84 |
| - Teachers' pay grant | - | 385 | 385 | 1 |
| - Others | - | 1,051 | 1,051 | 572 |
| | <u>-</u> | <u>24,528</u> | <u>24,528</u> | <u>20,747</u> |
| Other government grants | | | | |
| Local authority grants | - | 1,131 | 1,131 | 809 |
| Special educational projects | - | 12 | 12 | - |
| | <u>-</u> | <u>1,143</u> | <u>1,143</u> | <u>809</u> |
| Other incoming resources | 797 | 266 | 1,063 | 668 |
| | <u>797</u> | <u>25,937</u> | <u>26,734</u> | <u>22,224</u> |
| Teaching school | | | | |
| DfE grants | - | 1,982 | 1,982 | 1,533 |
| | <u>-</u> | <u>1,982</u> | <u>1,982</u> | <u>1,533</u> |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

5 Funding for the Trust's charitable activities (Continued)

Amounts relating to 16-19 core education funding have been reclassified and is no longer reporting within the General annual grant (GAG) line item, but as separate lines under the 16-19 core education funding. The prior year numbers have been reclassified.

6 Other trading activities

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2024 £'000 | Total 2023 £'000 |
|--------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Hire of facilities | 60 | - | 60 | 50 |
| Catering income | 27 | - | 27 | 25 |
| Music tuition | 33 | - | 33 | 26 |
| Trips | - | 532 | 532 | 349 |
| Other income | 104 | - | 104 | 54 |
| | <u>224</u> | <u>532</u> | <u>756</u> | <u>504</u> |

7 Investment income

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2024 £'000 | Total 2023 £'000 |
|-----------------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Interest from short term deposits | 2 | - | 2 | 1 |
| | <u>2</u> | <u>-</u> | <u>2</u> | <u>1</u> |

8 Expenditure

| | Staff costs £'000 | Non-pay expenditure | | Total 2024 £'000 | Total 2023 £'000 |
|----------------------------------|----------------------|---------------------|----------------|------------------------|------------------------|
| | | Premises £'000 | Other £'000 | | |
| Academy's educational operations | | | | | |
| - Direct costs | 15,755 | - | 1,170 | 16,925 | 14,724 |
| - Allocated support costs | 5,477 | 4,893 | 2,970 | 13,340 | 10,994 |
| Teaching school | | | | | |
| - Direct costs | 273 | - | 29 | 302 | 215 |
| - Allocated support costs | 496 | - | 866 | 1,362 | 1,195 |
| | <u>22,001</u> | <u>4,893</u> | <u>5,035</u> | <u>31,929</u> | <u>27,128</u> |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

8 Expenditure (Continued)

| Net income/(expenditure) for the year includes: | 2024 £'000 | 2023 £'000 |
|---------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Operating lease rentals | 108 | 326 |
| Net interest on defined benefit pension liability | (165) | (17) |
| Depreciation of tangible fixed assets | 2,556 | 1,767 |
| Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows: | | |
| - Audit | 38 | 35 |
| - Other services | 8 | 6 |
| - Other assurance fees | 13 | 7 |

9 Charitable activities

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2024 £'000 | Total 2023 £'000 |
|------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Direct costs | | | | |
| Educational operations | - | 16,925 | 16,925 | 14,724 |
| Teaching school | - | 302 | 302 | 215 |
| Support costs | | | | |
| Educational operations | 1,242 | 12,098 | 13,340 | 10,994 |
| Teaching school | - | 1,362 | 1,362 | 1,195 |
| | 1,242 | 30,687 | 31,929 | 27,128 |

| | Teaching school £'000 | Educational operations £'000 | Total 2024 £'000 | Total 2023 £'000 |
|----------------------------------|-----------------------------|------------------------------------|------------------------|------------------------|
| Analysis of support costs | | | | |
| Support staff costs | 496 | 5,477 | 5,973 | 4,519 |
| Depreciation | - | 2,556 | 2,556 | 1,767 |
| Technology costs | - | 419 | 419 | 337 |
| Premises costs | - | 2,337 | 2,337 | 2,760 |
| Legal costs | - | 52 | 52 | 33 |
| Other support costs | 866 | 2,448 | 3,314 | 2,719 |
| Governance costs | - | 51 | 51 | 54 |
| | 1,362 | 13,340 | 14,702 | 12,189 |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

10 Staff

Staff costs

Staff costs during the year were:

| | 2024 £'000 | 2023 £'000 |
|---------------------------|---------------|---------------|
| Wages and salaries | 16,191 | 13,441 |
| Social security costs | 1,727 | 1,446 |
| Pension costs | 3,519 | 3,121 |
| | | |
| Staff costs - employees | 21,437 | 18,008 |
| Agency staff costs | 564 | 101 |
| Staff restructuring costs | - | 36 |
| | | |
| Total staff expenditure | 22,001 | 18,145 |

Staff restructuring costs comprise:

| | | |
|-----------------------------------------------------------|---|----|
| Severance payments (including special severance payments) | - | 36 |
|-----------------------------------------------------------|---|----|

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2023: £36,000).

No specific funding was received or receivable to support the restructuring payments in respect of the current or prior year.

Staff numbers

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

| | 2024 Number | 2023 Number |
|----------------------------|----------------|----------------|
| Teachers | 197 | 179 |
| Administration and support | 219 | 183 |
| Management | 36 | 30 |
| | | |
| | 452 | 392 |

The number of persons employed, expressed as a full time equivalent, was as follows:

| | 2024 Number | 2023 Number |
|----------------------------|----------------|----------------|
| Teachers | 185 | 172 |
| Administration and support | 173 | 140 |
| Management | 33 | 29 |
| | | |
| | 391 | 341 |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

10 Staff (Continued)

Higher paid staff

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

| | 2024 Number | 2023 Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000 | 17 | 10 |
| £70,001 - £80,000 | 7 | 7 |
| £80,001 - £90,000 | 5 | - |
| £90,001 - £100,000 | - | 2 |
| £100,001 - £110,000 | 1 | 1 |
| £110,001 - £120,000 | 1 | 1 |
| £120,001 - £130,000 | 1 | 1 |
| £130,001 - £140,000 | 1 | - |

Key management personnel

The key management personnel of the 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 Trust was £602,000 (2023: £561,000).

11 Central services

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

- 1 Payroll services;
- 2 Legal services;
- 3 Audit and accountancy;
- 4 IT infrastructure;
- 5 Website and marketing;
- 6 Finance software;
- 7 Insurance (excluding RPA);
- 8 Human resources;
- 9 Finance services;
- 10 IT support;
- 11 Estates support;
- 12 Data support;
- 13 Strategic leadership;
- 14 Admin Executive Assistant;
- 15 School improvement services;
- 16 HR support

The Trust charges for these services on the following basis:

- Points 1-9 and 15 - Allocated over the time the Academy is in the Trust and pupil or staff numbers in each Academy
- Points 10-14 and 16 - Allocated over the time the academy is in the Trust and split based on Phase of Education

Central charges are applied via reserves policy for new joiner schools on confirmation of brought forward balances.

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

11 Central services (Continued)

| The amounts charged during the year were as follows: | 2024 £'000 | 2023 £'000 |
|------------------------------------------------------|---------------|---------------|
| Mayfield Primary School | 193 | 157 |
| East Crompton St George's CofE Primary School | 89 | 87 |
| The Blue Coat School | 331 | 383 |
| St Anne's Church of England Academy | 424 | 390 |
| Brian Clarke Church of England Academy | 320 | 169 |
| St John's CE Thornham Primary School | - | - |
| Little Heaton Church of England Primary School | - | - |
| | <u>1,357</u> | <u>1,186</u> |

12 Trustees' remuneration and expenses

During the year one (2023: one) Trustee has been paid remuneration or has received other benefits from employment with the Trust. The Chief Executive Officer only receives remuneration in respect of services they provide undertaking the role of Chief Executive Officer under their contract of employment, and not in respect of their services as Trustee. Other Trustees did not receive any payments, other than expenses, from the Trust in respect of their roles as Trustees.

The value of Trustees' remuneration and other benefits are as follows:

J A Hollis - Chief Executive Officer:
Remuneration £127,108 (2023: £116,708)
Employer's pension contributions paid £Nil (2023: £Nil)

During the year ended 31 August 2024, travel and subsistence expenses totalling £Nil (2023: £Nil) were reimbursed to Nil (2023: Nil) Trustees of the Trust.

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

13 Trustees and officers' insurance

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

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

14 Tangible fixed assets

| | Leasehold land and buildings | Plant and machinery | ICT/ Educational equipment and motor vehicles | Assets in the course of construction | Major school improvements | Total |
|--------------------------|------------------------------------|------------------------|-----------------------------------------------------------|--------------------------------------------|---------------------------------|--------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | | |
| At 1 September 2023 | 56,057 | 1,111 | 3,726 | 118 | 7,268 | 68,280 |
| Transfer on conversion | 3,660 | - | - | - | - | 3,660 |
| Additions | 20 | 89 | 857 | 297 | 660 | 1,923 |
| Transfer between classes | - | - | 1 | (119) | 118 | - |
| Disposals | - | - | (198) | - | - | (198) |
| At 31 August 2024 | 59,737 | 1,200 | 4,386 | 296 | 8,046 | 73,665 |
| Depreciation | | | | | | |
| At 1 September 2023 | 3,920 | 553 | 1,722 | - | 2,165 | 8,360 |
| On disposals | - | - | (198) | - | - | (198) |
| Charge for the year | 1,250 | 105 | 790 | - | 411 | 2,556 |
| At 31 August 2024 | 5,170 | 658 | 2,314 | - | 2,576 | 10,718 |
| Net book value | | | | | | |
| At 31 August 2024 | 54,567 | 542 | 2,072 | 296 | 5,470 | 62,947 |
| At 31 August 2023 | 52,137 | 558 | 2,004 | 118 | 5,103 | 59,920 |

Included in major school improvements as part of the Free School project which built Brian Clarke Academy, the Blue Coat school received a donated asset of a car park on the site of the temporary accommodations of Brian Clarke Academy, which was on Blue Coat School's site, at a fair value of £478,000 based on the build cost to the DfE.

The land is leased at £Nil value from local authority for period of 125 years.

15 Fixed asset investments

| | Investments £'000 |
|-----------------------------|----------------------|
| Market value | |
| At 1 September 2023 | 493 |
| Change in value in the year | 55 |
| At 31 August 2024 | 548 |

This inherited investment is an endowment fund, held in a managed stock equity fund and the value is an original endowment made to St Annes plus net appreciation/ depreciation of value. The historical cost is the original value the investment was transferred over at amounting to £574,000.

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

16 Debtors

| | 2024 £'000 | 2023 £'000 |
|--------------------------------|---------------|---------------|
| Trade debtors | 307 | 237 |
| VAT recoverable | 97 | 125 |
| Other debtors | 14 | 2 |
| Prepayments and accrued income | 5,939 | 357 |
| | <u>6,357</u> | <u>721</u> |

17 Creditors: amounts falling due within one year

| | 2024 £'000 | 2023 £'000 |
|--------------------------------------------|---------------|---------------|
| Government loans | 2 | 2 |
| Trade creditors | 163 | 121 |
| Other taxation and social security | 410 | 341 |
| Accruals and deferred income (see note 19) | 1,070 | 1,061 |
| | <u>1,645</u> | <u>1,525</u> |

18 Creditors: amounts falling due after more than one year

| | 2024 £'000 | 2023 £'000 |
|---------------------------------------------------------|---------------|---------------|
| Government loans | 11 | 13 |
| | <u>11</u> | <u>13</u> |
| Debt due in one year or less | 2 | 2 |
| Due in more than one year but not more than two years | 3 | 3 |
| Due in more than two years but not more than five years | 7 | 7 |
| Due in more than five years | 1 | 3 |
| | <u>13</u> | <u>15</u> |

Included within other creditors is a loan of £12,982 (2023: £15,236) from Department for Education through Salix Finance which is provided as part of Condition Improvement Funding received in 21-22. The loan is interest free and is paid via an abatement of GAG income. The payment profile is two instalments per year of £1,172 (2023: £1,172) over 8 years, starting in March 2022, final payment in September 2029.

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

19 Deferred income

| | 2024 £'000 | 2023 £'000 |
|-------------------------------------|---------------|---------------|
| Deferred income is included within: | | |
| Creditors due within one year | 180 | 88 |
| | <u>180</u> | <u>88</u> |
| Deferred income at 1 September 2023 | 88 | 69 |
| Released from previous years | (88) | (69) |
| Resources deferred in the year | 180 | 88 |
| | <u>180</u> | <u>88</u> |
| Deferred income at 31 August 2024 | 180 | 88 |
| | <u>180</u> | <u>88</u> |

At the balance sheet date the Trust was holding funds received in advance in relation to conversion grants of £99,959 (2023: £Nil), rates relief from ESFA of £5,032 (2023: £32,060), universal free school meals £56,505 (2023: £28,183), SCITT bursary income of £13,500 (2023: £27,500), sundry income of £4,503 (2023: Nil).

The year end balance of £179,499 is expected to be released in the 2024/25 year.

20 Financial instruments

The Trust has the following financial instruments measured at fair value through profit or loss at 31 August:

| | 2024 £'000 | 2023 £'000 |
|-------------------------------------|---------------|---------------|
| Carrying amount of financial assets | 548 | 493 |
| | <u>548</u> | <u>493</u> |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

21 Funds

| | Balance at 1 September 2023 £'000 | Income £'000 | Expenditure £'000 | Gains, losses and transfers £'000 | Balance at 31 August 2024 £'000 |
|-------------------------------------|--------------------------------------------|-----------------|----------------------|--------------------------------------------|------------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 18,793 | (18,480) | (313) | - |
| Pupil premium | - | 1,132 | (1,132) | - | - |
| Start up grants | - | 420 | (420) | - | - |
| Teachers' pension grant | - | 267 | (267) | - | - |
| Teachers' pay grant | - | 385 | (385) | - | - |
| 16-19 core education funding | - | 2,480 | (2,480) | - | - |
| Other grants | - | 1,051 | (1,051) | - | - |
| Other government grants | - | 1,143 | (1,143) | - | - |
| Teaching school | 199 | 1,982 | (1,665) | - | 516 |
| Other restricted funds | 472 | 845 | (1,407) | 90 | - |
| Pension reserve | - | 139 | 299 | (438) | - |
| | <u>671</u> | <u>28,637</u> | <u>(28,131)</u> | <u>(661)</u> | <u>516</u> |
| Restricted fixed asset funds | | | | | |
| Inherited on conversion | 28,039 | 3,660 | (258) | - | 31,441 |
| DfE group capital grants | 7,816 | 7,045 | (838) | - | 14,023 |
| Capital expenditure from GAG | 1,823 | - | (796) | 313 | 1,340 |
| Donated fixed assets | 22,243 | 478 | (664) | - | 22,057 |
| | <u>59,921</u> | <u>11,183</u> | <u>(2,556)</u> | <u>313</u> | <u>68,861</u> |
| Restricted endowment fund | <u>493</u> | <u>-</u> | <u>-</u> | <u>55</u> | <u>548</u> |
| Total restricted funds | <u>61,085</u> | <u>39,820</u> | <u>(30,687)</u> | <u>(293)</u> | <u>69,925</u> |
| Unrestricted funds | | | | | |
| Inherited on conversion | 114 | - | - | - | 114 |
| Inherited funds | 105 | - | - | - | 105 |
| Unrestricted funds | 2,273 | 1,075 | (1,242) | (90) | 2,016 |
| | <u>2,492</u> | <u>1,075</u> | <u>(1,242)</u> | <u>(90)</u> | <u>2,235</u> |
| Total funds | <u>63,577</u> | <u>40,895</u> | <u>(31,929)</u> | <u>(383)</u> | <u>72,160</u> |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

21 Funds (Continued)

The Trust is not subject to GAG carry forward limits.

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

During the year £313k of restricted general funds were transferred to fixed asset reserves to be utilised on capital acquisitions. The remaining £516k (2023: £671k) of restricted funds, excluding pension deficit, will be allocated in line with the strategic objectives of the Trust in priority to unrestricted funds.

The value of unrestricted funds is £2,234k (2023: £2,492k), this includes a transfer £90k to other restricted funds to cover the over spend in the year. These are freely available for general purposes and will be allocated in line with the strategic objectives of the Trust.

Restricted fixed asset funds total £68,861k (2023: £59,921k) and includes:

- the value of the assets and capital balances transferred by the local authority and the Manchester Diocesan Board of Education to the Trust on conversion of the Blue Coat School in 2011
- the two primary schools in period ended 31 August 2016 (East Crompton St Georges and Mayfield Primary)
- St Anne's CofE Academy which converted from a SAT to join the Trust in 2021
- The donation of the free school asset from the opening of Brian Clarke CE Academy in 2023
- the two primary schools in period ended 31 August 2024. (Little Heaton Primary and St John Thornham)

The restricted fixed asset fund contains £5,926k (2023: £17k) of carry forward income which has been declared in 23-24 and will be utilised in 24-25.

A Salix loan of £19k was part of the CIF funding received in 21-22 for heating upgrades at Blue Coat School. This will be repaid over 8 years and hence is carried forward as unspent capital funding. Carry forward of this loan in 23-24 is £13k (2023: £15k).

The endowment fund was a trust fund set up by the sponsors of St Anne's CE Academy which was transferred to the Trust on 1 March 2021. It is fully invested in an Endowment Trust Fund run by Fundsmith investors. The fund is governed by an Endowment policy and any gain in value or dividends received ring fenced for St Anne's use.

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

21 Funds (Continued)

Funds prior year

| | Balance at 1 September 2022 £'000 | Income £'000 | Expenditure £'000 | Gains, losses and transfers £'000 | Balance at 31 August 2023 £'000 |
|-------------------------------------|--------------------------------------------|-----------------|----------------------|--------------------------------------------|------------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 18,197 | (17,823) | (374) | - |
| Pupil premium | - | 920 | (920) | - | - |
| Start up grants | - | 245 | (245) | - | - |
| Teachers' pension grant | - | 84 | (84) | - | - |
| Teachers' pay grant | - | 1 | (1) | - | - |
| Other DfE grants | - | 1,092 | (1,092) | - | - |
| Catch-up premium | - | 208 | (208) | - | - |
| Other government grants | - | 809 | (809) | - | - |
| Teaching school | 76 | 1,533 | (1,410) | - | 199 |
| Other restricted funds | 1,729 | 368 | (1,625) | - | 472 |
| Pension reserve | 531 | - | (244) | (287) | - |
| | <u>2,336</u> | <u>23,457</u> | <u>(24,461)</u> | <u>(661)</u> | <u>671</u> |
| Restricted fixed asset funds | | | | | |
| Inherited on conversion | 28,700 | - | (661) | - | 28,039 |
| DfE group capital grants | 7,796 | 689 | (669) | - | 7,816 |
| Capital expenditure from GAG | 1,721 | - | (272) | 374 | 1,823 |
| Inherited on conversion | - | 22,408 | (165) | - | 22,243 |
| | <u>38,217</u> | <u>23,097</u> | <u>(1,767)</u> | <u>374</u> | <u>59,921</u> |
| Restricted endowment fund | <u>462</u> | <u>-</u> | <u>-</u> | <u>31</u> | <u>493</u> |
| Total restricted funds | <u>41,015</u> | <u>46,554</u> | <u>(26,228)</u> | <u>(256)</u> | <u>61,085</u> |
| Unrestricted funds | | | | | |
| Inherited on conversion | 114 | - | - | - | 114 |
| Inherited funds | 105 | - | - | - | 105 |
| Unrestricted funds | 2,014 | 1,159 | (900) | - | 2,273 |
| | <u>2,233</u> | <u>1,159</u> | <u>(900)</u> | <u>-</u> | <u>2,492</u> |
| Total funds | <u>43,248</u> | <u>47,713</u> | <u>(27,128)</u> | <u>(256)</u> | <u>63,577</u> |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

21 Funds (Continued)

Total funds analysis by academy

| | 2024 £'000 | 2023 £'000 |
|------------------------------------------------------------|---------------|---------------|
| Fund balances at 31 August 2024 were allocated as follows: | | |
| Mayfield Primary School | 126 | 111 |
| East Crompton St George's CofE Primary School | 42 | 97 |
| The Blue Coat School | 947 | 1,036 |
| St Anne's Church of England Academy | 772 | 1,088 |
| Brian Clarke Church of England Academy | 241 | 124 |
| St John's CE Thornham Primary School | 52 | - |
| Little Heaton Church of England Primary School | 4 | - |
| Central services | 1,115 | 1,200 |
| | <hr/> | <hr/> |
| Total before fixed assets fund and pension reserve | 3,299 | 3,656 |
| | | |
| Restricted fixed asset fund | 68,861 | 59,921 |
| Pension reserve | - | - |
| | <hr/> | <hr/> |
| Total funds | 72,160 | 63,577 |
| | <hr/> | <hr/> |

Total cost analysis by academy

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

| | Teaching and educational support staff £'000 | Other support staff costs £'000 | Educational supplies £'000 | Other costs excluding depreciation £'000 | Total 2024 £'000 | Total 2023 £'000 |
|---------------------------------------------------|-------------------------------------------------------|---------------------------------------|----------------------------------|---------------------------------------------------|------------------------|------------------------|
| Mayfield Primary School | 1,428 | 171 | 91 | 400 | 2,090 | 1,809 |
| East Crompton St George's CofE Primary School | 764 | 172 | 57 | 195 | 1,188 | 1,104 |
| The Blue Coat School | 7,804 | 1,288 | 929 | 1,512 | 11,533 | 11,254 |
| St Anne's Church of England Academy | 4,486 | 681 | 422 | 1,157 | 6,746 | 5,932 |
| Brian Clarke Church of England Academy | 2,382 | 361 | 135 | 658 | 3,536 | 2,738 |
| St John's CE Thornham Primary School | 225 | 25 | 25 | 58 | 333 | - |
| Little Heaton Church of England Primary School | 510 | 46 | 58 | 130 | 744 | - |
| Central services | 609 | 885 | 67 | 1,642 | 3,203 | 2,524 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 18,208 | 3,629 | 1,784 | 5,752 | 29,373 | 25,361 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

22 Analysis of net assets between funds

| | Unrestricted Funds | Restricted General Funds | Restricted Fixed asset Funds | Endowment Funds | Total Funds |
|------------------------------------------------------------|-----------------------|--------------------------------|------------------------------------|--------------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Fund balances at 31 August 2024 are represented by: | | | | | |
| Tangible fixed assets | - | - | 62,947 | - | 62,947 |
| Fixed asset investments | - | - | - | 548 | 548 |
| Current assets | 2,235 | 2,159 | 5,927 | - | 10,321 |
| Current liabilities | - | (1,643) | (2) | - | (1,645) |
| Liabilities due after one year | - | - | (11) | - | (11) |
| Total net assets | 2,235 | 516 | 68,861 | 548 | 72,160 |

| | Unrestricted Funds | Restricted funds: General | Fixed asset | Endowment Funds | Total Funds |
|------------------------------------------------------------|-----------------------|------------------------------|---------------|--------------------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Fund balances at 31 August 2023 are represented by: | | | | | |
| Tangible fixed assets | - | - | 59,920 | - | 59,920 |
| Fixed asset investments | - | - | - | 493 | 493 |
| Current assets | 2,492 | 2,210 | - | - | 4,702 |
| Current liabilities | - | (1,523) | (2) | - | (1,525) |
| Liabilities due after one year | - | 16 | (29) | - | (13) |
| Total net assets | 2,492 | 703 | 59,889 | 493 | 63,577 |

23 Long-term commitments

Operating leases

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

| | 2024 £'000 | 2023 £'000 |
|----------------------------------------|---------------|---------------|
| Amounts due within one year | 12 | 32 |
| Amounts due between one and five years | 6 | 18 |
| | 18 | 50 |

24 Capital commitments

| | 2024 £'000 | 2023 £'000 |
|-------------------------------------------------------------------------|---------------|---------------|
| Expenditure contracted for but not provided in the financial statements | 5,624 | 429 |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

25 Reconciliation of net income to net cash flow from operating activities

| | Notes | 2024 £'000 | 2023 £'000 |
|------------------------------------------------------------------------------------|-------|---------------|---------------|
| Net income for the reporting period (as per the statement of financial activities) | | 9,021 | 20,616 |
| Adjusted for: | | | |
| Net surplus on conversion to academy | 30 | (3,846) | - |
| Capital grants from DfE and other capital income | | (7,523) | (23,097) |
| Interest receivable | 7 | (2) | (1) |
| Pension costs less contributions payable | 28 | (134) | 261 |
| Pension scheme finance income | 28 | (165) | (17) |
| Depreciation of tangible fixed assets | | 2,556 | 1,767 |
| Gain on endowment | | (55) | (31) |
| Movements in working capital: | | | |
| (Increase)/decrease in debtors | | (349) | 400 |
| Increase/(decrease) in creditors | | 120 | (116) |
| Net cash used in operating activities | | (377) | (218) |

26 Analysis of changes in net funds

| | 1 September 2023 | Cash flows | Cashflow in/ out on conversion | Other non- cash changes | 31 August 2024 |
|--------------------------------------------|---------------------|-------------|--------------------------------------|----------------------------|-------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cash | 3,981 | (64) | 47 | - | 3,964 |
| Loans falling due within one year | (2) | 2 | - | (2) | (2) |
| Loans falling due after more than one year | (13) | - | - | 2 | (11) |
| | <u>3,966</u> | <u>(62)</u> | <u>47</u> | <u>-</u> | <u>3,951</u> |

27 Members' liability

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

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

28 Pension and similar obligations

The 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 Tameside Metropolitan Borough Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2022.

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

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. Retirement and other pension benefits are paid by public funds provided by Parliament. The Trust has set out below the information available on the scheme.

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 2023 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 2020 in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion
- Notional past service deficit of £39.8 billion (2016 £22 billion)
- Discount rate is 1.7% in excess of CPI (2016 2.4% in excess of CPI) (this change has had the greatest financial significance)

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 1 April 2028 (compared to 23.68% under the previous valuation including a 0.08% administration levy).

The employer's pension costs paid to the TPS in the period amounted to £2,657,767 (2023: £2,099,182).

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

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

28 Pension and similar obligations (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 contributions are as noted below. The agreed contribution rates for future years are 18.6%-19.4% for employers between 2023 and 2024 and 2.75-12.5% for employees.

As described in note 30 the LGPS obligation relates to the employees of the Trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK

| Total contributions made | 2024 £'000 | 2023 £'000 |
|--------------------------|---------------|---------------|
| Employer's contributions | 1,002 | 767 |
| Employees' contributions | 328 | 254 |
| Total contributions | 1,330 | 1,021 |

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 August 2024 by a qualified independent actuary.

| | 2024 % | 2023 % |
|----------------------------------------------------|-----------|-----------|
| Rate of increase in salaries | 3.45 | 3.80 |
| Rate of increase for pensions in payment/inflation | 2.65 | 3.00 |
| Discount rate for scheme liabilities | 5.00 | 5.20 |

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

| | 2024 Years | 2023 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| - Males | 18.8 | 18.8 |
| - Females | 23.0 | 23.0 |
| Retiring in 20 years | | |
| - Males | 20.6 | 20.7 |
| - Females | 24.6 | 24.6 |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

28 Pension and similar obligations (Continued)

| The Trust's share of the assets in the scheme | 2024 Fair value £'000 | 2023 Fair value £'000 |
|-----------------------------------------------|-----------------------------|-----------------------------|
| Equities | 15,833 | 13,255 |
| Bonds | 3,442 | 2,651 |
| Cash | 1,836 | 1,515 |
| Property | 1,835 | 1,514 |
| | <hr/> | <hr/> |
| Total fair value of assets | 22,946 | 18,935 |
| | <hr/> <hr/> | <hr/> <hr/> |

The actual return on scheme assets was £1,892,000 (2023: £(1,884,000)).

| Amount recognised in the statement of financial activities | 2024 £'000 | 2023 £'000 |
|------------------------------------------------------------|---------------|---------------|
| Current service cost | 868 | 1,028 |
| Net interest cost | (165) | (17) |
| | <hr/> | <hr/> |
| Total amount recognised | 703 | 1,011 |
| | <hr/> <hr/> | <hr/> <hr/> |

| Changes in the present value of defined benefit obligations | 2024 £'000 |
|-------------------------------------------------------------|---------------|
| At 1 September 2023 | 15,874 |
| Obligations acquired on conversion | 948 |
| Current service cost | 868 |
| Interest cost | 872 |
| Employee contributions | 328 |
| Actuarial gain | (155) |
| Benefits paid | (298) |
| | <hr/> |
| At 31 August 2024 | 18,437 |
| | <hr/> <hr/> |

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

28 Pension and similar obligations (Continued)

Changes in the fair value of the Trust's share of scheme assets

| | 2024 £'000 |
|-------------------------------------------------------------------------------------|-----------------------|
| At 1 September 2023 | 18,935 |
| Assets acquired on conversion | 1,087 |
| Interest income | 1,037 |
| Return on plan assets (excluding net interest on the net defined pension liability) | 855 |
| Employer contributions | 1,002 |
| Employee contributions | 328 |
| Benefits paid | (298) |
| | <hr/> |
| At 31 August 2024 | 22,946 |
| | <hr/> |

| | 2024 £'000 |
|-----------------------------------------------|-----------------------|
| Present value of defined benefit obligations | (18,437) |
| Fair value of plan assets | 22,946 |
| | <hr/> |
| Net asset | 4,509 |
| Restriction to level of asset ceiling | (4,509) |
| | <hr/> |
| Net liability recognised in the balance sheet | - |
| | <hr/> |

The value of the Academy Trust's share of net assets of the Greater Manchester Pension Fund scheme has been restricted due to the effect of the asset ceiling being the maximum value of the present of the economic benefits available in the form of the unconditional right to reduced contributions from the plan. A corresponding charge has been made to other comprehensive income in the period.

The Academy Trust is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. Until further investigations have been completed by the UK Government's Actuary's Department and/or any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

29 Related party transactions

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

CRANMER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

30 Conversion to an academy

On the dates noted below the academies listed below were converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Cranmer Education Trust 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 values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations.

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

| Academy | Location | Date of conversion | | |
|------------------------------------------------|-----------------------------------|---------------------------|--------------------|--------------|
| St John's CE Thornham Primary School | Thornham Lane, Middleton, M24 2SB | 1 April 2024 | | |
| Little Heaton Church of England Primary School | Boardman Ln, Middleton, M24 2QA | 1 March 2024 | | |
| | Unrestricted funds | Restricted funds: | | Total |
| | £'000 | General | Fixed asset | 2024 |
| Net assets transferred: | £'000 | £'000 | £'000 | £'000 |
| Leasehold land and buildings | - | - | 3,660 | 3,660 |
| Cash | - | 47 | - | 47 |
| Pension scheme surplus | - | 139 | - | 139 |
| | - | 186 | 3,660 | 3,846 |

The total income and net income comprise the total income of £376k and net income of £20k contributed by St Johns CE Thornham Primary School between the date of transfer and 31 August 2024.

The total income and net income comprise the total income of £1,056k and net income of £268k contributed by Little Heaton Church of England Primary School between the date of transfer and 31 August 2024.

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

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 9 September 2022 and further to the requirements of the Education and Skills Funding Agency ('ESFA') as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, to obtain limited assurance about whether the expenditure disbursed and income received by Cranmer Education Trust during the period 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis for conclusion

The framework that has been applied is set out in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

We have complied with the independence and other ethical requirements of the FRC's Ethical Standard and the ethical pronouncements of the ICAEW. We also apply International Standard on Quality Management (UK) 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance and Related Services Engagements and accordingly maintain comprehensive systems of continuing quality management. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Cranmer Education Trust's accounting officer and Trustees

The accounting officer is responsible, under the requirements of Cranmer Education Trust's funding agreement with the Secretary of State for Education dated 23 March 2015 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Cranmer Education Trust and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

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 the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academy Trust Handbook 2023 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

This report is made solely to Cranmer Education Trust and the ESFA in accordance with the terms of our engagement letter dated 9 September 2022. Our work has been undertaken so that we might state to the Cranmer Education Trust and the 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 Cranmer Education Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK Audit LLP

Chartered accountants
Ninth Floor
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Manchester
M1 4PB

Dated: 13/12/24
