

Company Registration Number: 07552665 (England & Wales)

Coastal Academies Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2024

Coastal Academies Trust
(A Company Limited by Guarantee)

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Reference and Administrative Details of the Trust, its Directors and Advisers For the Year Ended 31 August 2024

Members	Mr. R. Curtis P. J. Luxmoore Mr. N.A. Smith
Directors	Mr. D. Roberts, Chair of the Board ¹ Mr. G. Berry, Chair of Finance Committee ¹ Mr. A. Brookes, Vice Chair of the Board Mrs. V. Crawley Mr. R. Curtis ¹ Mr. M. Emery ¹ Ms. K. Greig, Executive Headteacher and Accounting Officer ¹ Ms. M. Hooper Ms V. A. Pottinger Ms. K. Sharp Ms S. Snaydon ¹ member of the Finance Committee
Company registered number	07552665
Principal and registered office	King Ethelbert School Canterbury Road Birchington Kent CT7 9BL
Company secretary	Mrs. J. Brace
Senior management team (at the date of approval)	Ms. K. Greig, CEO of Coastal Academies Trust Mrs. J. Brace, Chief Financial Officer Mr. M. Jones, Headteacher - Dane Court Grammar Mr S. Pullen, Headteacher – The Royal Harbour Academy Mrs. H. J. Russell, Chief Operations Manager Mr. T. Sellen, Headteacher - King Ethelbert School Mr. M. Tate, Headteacher - Hartsdown Academy Ms. H. Tudor, Headteacher – Newington Community Primary School Ms. C. Whichcord, Headteacher - Cliftonville Primary School
Independent auditors	UHY Hacker Young Chartered Accountants Registered Auditors Thames House Roman Square Sittingbourne Kent. ME10 4BJ
Bankers	Lloyds Bank plc 25 Gresham Street London EC2V 7HN

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Directors' Report
For the Year Ended 31 August 2024

The Directors present their annual report, together with the audited financial statements of Coastal Academies Trust (the Trust) for the year ended 31 August 2024.

The Directors confirm that the annual report and financial statements of the Trust comply with the current statutory requirements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Coastal Academies Trust (CAT) is a company limited by guarantee and is an exempt charity. The Trust's articles of association are the primary governing document. Funding for educational activities is governed by a master funding agreement between the Trust and the Secretary of State for Education.

Principal activities

The principal objective of the Trust is the delivery of education for the public benefit through the operation of a group of academies. To provide outstanding education for students aged between 3 and 18.

The Trust's accounts for 2023/24 include the operation of 6 academies, Cliftonville Primary School, Dane Court Grammar School, Hartsdown Academy, King Ethelbert School, The Royal Harbour Academy and Newington Community Primary School which converted to academy status and joined CAT on 1 July 2024.

CAT's academies have a combined pupil capacity of 6,190 and had a roll of 5,300 in July 2024.

Members

The initial Members of the Trust were the signatories to the Memorandum of Association. Membership terminates automatically pursuant to Article 15d when any Member, also being a Director, ceases to be a Director.

Members' liability

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

Directors

Directors hold their office as the Chair of the Local Governing Boards (Article 46d), appointed by Members (Article 46a) or co-opted by Directors (Article 58).

Directors' indemnities

Coastal Academies Trust maintains liability insurance for Directors which gives appropriate cover for any legal action brought against them. The Trust has also granted indemnities to each of its Directors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the year and remain in force, in relation to certain losses and liabilities which the Members, Directors and other officers may incur to third parties in the course of the acting on the Trust's behalf.

Details of Directors' and officers' insurance is provided in note 14.

Method of recruitment and appointment or election of Directors

The Articles of Association require the appointment of at least three Directors of the Trust. Members may appoint up to eight Directors (Article 46a). The Chair of each Local Governing Body is automatically registered as a Director (Article 46d). The Directors may also appoint up to three Co-opted Directors (Article 58).

Procedures adopted for the induction and training of Directors

Training and induction is tailored to new Directors as appropriate to their requirements and previous experience. The Trust Directors have access to policies, procedures, minutes, budgets, accounts and other relevant plans and documents that they need to fulfil their role.

Directors' term of office

The term of office for any Director shall be four years save that:

- a) the term of office may be shorter than four years for any Director appointed by the Members under Article 46(a) if the Members determine this at the time of appointment of such a Director; or
- b) in the case of a Director appointed ex officio as a Chair of Governors, his or her term of office should be for as long as they are a Chair of Governors.

Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

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All Directors are also act as trustees for the purpose of charity law.

Organisational Structure

The Directors have delegated the day-to-day governance of each academy to a School Board (SB), established as a sub-committee of the Trust Board. In the case of Dane Court Grammar School and King Ethelbert School, this has been a single group since the two schools federated in 2009. The Headteacher from each academy attends Trust Board meetings.

Newington Community Primary School converted to join Coastal Academies Trust on the 1 July 2024.

The Directors have established a Finance Committee as a sub-committee of the Trust Board to co-ordinate and monitor the finances of the Trust in addition to Risk Management & Audit, H&S and Estates Management. The Directors have also established an Academic Standards Committee to monitor teaching & learning standards & outcomes across the Trust.

Arrangements for setting pay and remuneration for key management personnel

The key management personnel of the academy trust comprise the Directors and senior management team as disclosed on page 1.

The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the board. Naturally, the senior management team are not involved in the setting of their own remuneration package.

Only staff Directors, including the CEO, are remunerated and these individuals only receive remuneration in respect of services they provide under their contracts of employment, and not in respect of their role as trustees. Specific disclosures concerning staff Directors' remuneration is included in note 13.

The day to day running of the remuneration policy is delegated to the Headteacher in each school. All details of setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed regularly by the CAT Finance Committee & Trust Board.

Remuneration of key management personnel is set at an individual level, and where possible the Directors have taken external professional advice which includes benchmarking, market trends and advice on structuring of incentives. Senior management salaries are, wherever possible, linked to pay spines, helping trustees conclude that each individual is remunerated at an appropriate level. As such salaries are linked to factors such as length of service and experience. Total remuneration packages include employer pension contribution rates at specific approved rates.

The Board always bears in mind the charitable status of the academy trust and in recognition of this fact the trust receives funding under a funding agreement with the Secretary of State for Education, and therefore ensure the remuneration paid to senior management personnel never exceeds a reasonable amount that provides value for money to the trust. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money. Total remuneration paid to senior management personnel is set out in note 11(f).

Trade union facility time

Relevant Union Officials:

Number of employees who were relevant union officials during the year	Full time equivalent employee number
1	0.6
Percentage of time spent on facility time:	Number of employees
100%	1
Percentage of pay bill spent on facility time:	
Total Cost of facility time (reclaimed back)	£27,487 (claimed back)
Total Pay Bill	£28,869,702
Percentage of total pay bill spent on facility time	0.1%
Time spent on paid trade union activities as a percentage of total paid facility time hours	100%

Connected organisations, including related parties

The only connected organisation is the Dane Court School Parents Association (charity number 1023394).

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Engagement with employees (including disabled persons)

The trust delegates the responsibility to the CEO and Headteachers of each school to provide employees with information on matters of concern to them through staff briefings and other appropriate communication forums. Staff representatives sit on local school boards. The trust continues to recognise trade unions. Trust policies, which affect employee's interests, are consulted upon with both employees and their trade unions in order that the trust can consider employees' views in making decisions. The trust aims to encourage the involvement of employees in the Trust's performance and achieve a common awareness on the part of all employees of the factors affecting performance by delegating to the Headteachers and local school boards to disseminate information to their employees. This includes, but not limited to, student data, financial data as appropriate and School Plans for each academic year.

The trust is positive about disabled people and its policy is to interview those applicants with a disability where they meet the minimum requirements for the post. The trust would not treat disabled employees any less favourably in respect of training, career development or promotion.

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

The trust delegates the responsibility to the Executive Headteacher and Headteachers of each school to foster the school's business relationships with key stakeholders including suppliers, customers and the wider community.

OBJECTIVES AND ACTIVITIES

The principal objective of the Trust is the delivery of education for the public benefit through the operation of a group of academies. To provide outstanding education for students aged between 3 and 18. A more detailed summary is provided in each school's prospectus or on each school's website.

In accordance with the articles of association the academy trust has adopted a "Scheme of Government" (Master Funding Agreement) approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the schools and that the curriculum should comply with the substance of the national curriculum.

The major outcomes for the year included Newington Community Primary joining the Trust. Two positive Ofsted results. King Ethelbert in June 2024 maintaining its Good and Cliftonville in June 2024 obtaining a Good with Outstanding for behaviour and attitudes, personal development and early years. Maintaining delivery of the best education possible to all students, raising the achievement of all students and improving the quality of teaching. Continuing to deliver our successful Leadership pathways program. Our second whole trust staff CPD day focussed on teaching and learning and was hugely successful in building our CAT community with teachers and leaders finding new areas in which to collaborate. The trust attendance group continued to develop strategies to support increased attendance and this group is now attended by external visitors in order to look beyond the trust. Whole trust reviews undertaken by our Trustees included, Safeguarding, Risk, Sixth form and Academic Achievement. The trust made a successful application to become a SCITT. King Ethelbert School applied to have a sixth form in its own right and become an 11-18 provision. The Payroll function was centralised and brought in house.

Public benefit

The Trust is state funded and strives to promote and support the advancement of education within Thanet. Each school has its own admissions criteria as set out in the Master Funding Agreement; Dane Court Grammar School selects students aged 11 to 18 who have passed the Kent Test; Hartsdown Academy is a non-selective 11-18 school, King Ethelbert School is a non-selective 11 to 18 school, The Royal Harbour is a non-selective 11-18 school and Cliftonville Primary School & Newington Community Primary school admits children aged 3 to 11. For all schools the catchment area can vary but is determined by each school's admission criteria. The Trust plays an active role in the local community including sporting activities, fundraising for charities and much more. The trust buildings and land are often available for community use outside of school hours.

The Directors acknowledge their duty in Section 4 of the Charities Act 2011 to have regard to the general and specific guidance on public benefit issued by the Charities Commission. We have referred to this guidance when reviewing our aims, strategy and plans for the future. All activities undertaken by the Trust are for the public benefit.

STRATEGIC REPORT

Achievements and performance

Academic performance of the Trust's academies during the year was as follows:

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KS4 results 23/24												
	Provisional Progress 8			Attainment 8			% L4 En and Ma			% L5 En and Ma		
School	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
DGCS	0.75	0.71	0.27	68.47	68.97	67.3	96	98.82	99	94	92.94	95
HA	-0.41	-0.36	-1.01	32.41	38.08	28.4	36	41	40	16	23	15
KES	-0.42	-0.14	-0.33	35.07	42.40	40.4	47	61	57	19	29	24
RHA	-0.98	-0.79	-0.62	30.28	30.77	32.22	36	33	29	12	16	13

IBDP Results						
	% students with 24 points or above			Average IB points		
School	2024	2023	2022	2024	2023	2022
DCGS	100	100	100	5.3	5.5	5.8

IBCP Results									
	% certificate awarded			% pass rate Voc			Average IB points		
School	2024	2023	2022	2024	2023	2022	2024	2023	2022
DCGS	98	100	100	100	100	100	5.3	5.5	5.0
KES	94	88	94	100	100	100	4.2	4.1	3.9
HA	68	85	100	100	95	89	4.1	4.09	4.6
RHA	75	94	85	100	100	100	3.7	3.9	3.9

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Cliftonville Primary School Attainment					
		2023		2024	
		Cliftonville	National	Cliftonville	National
R/W/M expected		50.5	59	49.5	61
R/W/M higher standard		2.9	8.0	2.7	8
Reading expected+		60	73	65.8	74
Reading higher standard		30.5	29	15.3	28
Writing expected +		62.9	71	58.6	72
Writing greater depth		7.5	13.3	7.2	13
Maths expected+		63.8	73	62.2	73
Maths higher standard		16.2	23.8	14.4	24
GPS expected+		60	72	54.1	72
GPS higher standard		22.9	30.1	21.6	32
No progress Scores 2024					
		2018	2019	2022	2023
Progress	Reading	-0.8	-0.7	-0.5	-0.9
	Writing	-2.4	-1.1	-0.2	-1.4
	Maths	1.1	0.8	0.8	-1.3

There were no KS2 tests at primary schools due to Covid-19 therefore data for the above is for the last 2 years when tests took place.

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Year Two Priorities End of Year Report
2023-24

Aim One: Employer of Choice

AIM	ACTIONS	SUCCESS CRITERIA
1. Staff development and leadership	<ul style="list-style-type: none"> ● Carry out an ECT review to monitor consistency and share good practice. ● Create a report/action plan to further develop opportunities across CAT for ECT development. ● Develop a 'new to SLT' programme across the Trust which will include training days, research and a mentor programme. ● Create opportunities for governors/Trustees to be involved in leadership development programmes where applicable. ● QA processes for leadership opportunities so that there is some consistency of approach regarding participants. ● Carry out student facing support staff CAT training programme with review process as part of the pilot. 	<ul style="list-style-type: none"> ● ECT programme sharpened, more effective and more consistent across the Trust ● New SLT members are embedded and are delivering effective leadership ● Governor/Trustees are offered opportunities to participate in programmes ● Consistency of approach cross CAT schools for participation in leadership courses ● Delivery of a student facing support staff programme with feedback used to develop the programme further
2. Carry out 2 Whole CAT reviews with full report and whole CAT actions	<p>a) SEN Review</p> <ul style="list-style-type: none"> - one whole week of monitoring, data collection, school visits and observations of SEN - Include external support and Trustee support with the review as well as headteacher involvement - Full CAT report written on best practice and areas for development <p>b) Reading Review</p> <ul style="list-style-type: none"> - One whole week of monitoring, data collection, school visits and observations. Areas to visit will include classrooms, library, student voice/Parent voice, text books, phonics to advance reading high level skills 	<ul style="list-style-type: none"> ● Detailed report created of strengths and areas of development across the Trust. ● Action plan created for further work and development
3. Cross CAT CPD development day. Theme: Reading	<ul style="list-style-type: none"> ● Plan and deliver an appropriate and valuable development day to all CAT staff - 9th February 2024 	<ul style="list-style-type: none"> ● Successful CPD day noted through evaluations

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AIM	ACTIONS	SUCCESS CRITERIA
4. Recruitment and Retention	<ul style="list-style-type: none"> Continue to share recruitment strategies cross CAT Update KG letter to reflect leadership opportunities Centralise exit interviews for review across CAT 	<ul style="list-style-type: none"> Each school fully staffed with high quality staff and high quality applications Staff are developed appropriately and ready for next stages of their career
	<ul style="list-style-type: none"> Review staff 'packages' Consider research hub for interested staff with focus on Teaching and Learning 	
5. Explore opportunities for a CAT teaching and learning research group	<ul style="list-style-type: none"> Investigate models of T and L research groups with funding attached. Explore the interest in this group from members of staff Have a plan of how it might work for maximum impact 	<ul style="list-style-type: none"> Decision on a CAT research group taken. If positive response start building a research team in partnership with a local university

Aim Two: School of Choice

AIM	ACTIONS	WHO	SUCCESS CRITERIA
1. School Improvement	<ul style="list-style-type: none"> Peer to peer review with opportunities for every subject in every school to have participated in a subject development day Areas of concern shared and support offered Develop the use of student conferences Outcomes continue to improve with the 'outlying' departments/subject areas making more significant improvement. All HT continue to have explicitly targets for end of KS outcomes with a particular focus on L4 matches English and Maths at KS4 All schools prepared for Ofsted 	KG LPA HT AB (Trustee)	<ul style="list-style-type: none"> Good practice shared across the Trust Underperforming subjects have support Middle leaders fully aware of strengths and areas for development HTs feel Ofsted ready where appropriate KS2, 4 and 5 outcomes continue to rise CAT whole Trust performance matches those of other MATs
2. Sixth Form Development	<ul style="list-style-type: none"> Create and implement the CAT communication and marketing plan. 2 main aims: <ul style="list-style-type: none"> Numbers increase Community understanding and knowledge of IB 	KG JR VP (Trustee)	<ul style="list-style-type: none"> 6th form numbers increase in each school Awareness of IB increases in the community in each years group including primary

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AIM	ACTIONS	WHO	SUCCESS CRITERIA
	increases		
3. Attendance	<ul style="list-style-type: none"> Attendance group continues to meet cross CAT every term to share good practice Attendance discussed at CAT Board level with feedback from attendance group at least twice annually 	AF KG HTs	<ul style="list-style-type: none"> Attendance improves across the Trust
4. Student Development	<ul style="list-style-type: none"> Provide opportunities for students to work together across the Trust to strengthen knowledge and skills Plan for student conferences and interschool visits, particularly in transition years, IB and KS3 	LPA KG HTs	<ul style="list-style-type: none"> Student benefit from cross CAT collaboration Student enjoys benefit from future school visits (student voice)
5. Create staff webinar opportunities for staff development	<ul style="list-style-type: none"> Deliver at least 2 staff webinars on topics of interest and relevance to CAT staff 	LPA	<ul style="list-style-type: none"> Staff engage in staff webinars and impact is positive (staff voice)

Aim Three: Trust of Choice

AIM	ACTIONS	WHO	SUCCESS CRITERIA
1. Review Governance	<ul style="list-style-type: none"> Update scheme of delegation as the Trust has expanded making it reflect the changes and monitoring and accountability - particularly around finance 	HR/JB	<ul style="list-style-type: none"> Scheme of delegation updated
	<ul style="list-style-type: none"> Carry out an external review of governance by another Trust 	HR	<ul style="list-style-type: none"> External review of governance completed
	<ul style="list-style-type: none"> Review and update codes of conduct and Governance and Trustee handbooks 	HR	<ul style="list-style-type: none"> All handbooks reviewed and updated
2. Continue to improve communication and public perception of CAT	<ul style="list-style-type: none"> Particular focus on sixth form with sixth form students visiting primary schools or running primary school events Develop use of technology to celebrate CAT success including website celebrations 	LPA/C W/ KG JR/HR/ KG/ LPA	<ul style="list-style-type: none"> Public perception continues to improve and reflect in PAN and media coverage

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Directors' Report
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AIM	ACTIONS	WHO	SUCCESS CRITERIA
3. Estate Management and Health and Safety	<ul style="list-style-type: none"> RAAC roofing crisis is solved and new building work underway 	KG/JB/TS	<ul style="list-style-type: none"> Teachers at KES in suitable accommodation and new building started
	<ul style="list-style-type: none"> Successfully transition between Armadillo (end date Dec) and PH (new Estate Manager) Have very clear Estate action plan for immediate concerns across the Trust - all Trustees aware of each school building - risks/mitigations and actions for repair Successfully implement CIF bids 	PH/JB PH/JB	<ul style="list-style-type: none"> H & S estate management action plan created Clear plan for estate management priorities
	<ul style="list-style-type: none"> Create a plan for priorities on capital projects 	PH/JB	<ul style="list-style-type: none">
	4. Newington Conversion to Coastal Academies Trust	<ul style="list-style-type: none"> Successful conversion by April 2024 	HR KG/JB

Ofsted Outcomes

Cliftonville – Good – June 2024

Dane Court - Good - June 2022

King Ethelbert - Good – June 2024

Hartsdown - Good - Dec 2021

The Royal Harbour Academy – Joined Trust 1st April 2023 currently ungraded

Newington Community Primary School – Joined the Trust 1st July 2024 currently ungraded

Key performance indicators

Every Board meeting Directors received updates on student performance from the Academic Standards Committee; trust priorities and financial and risk monitoring reports from the Finance and Audit Committee. The CEO provided the Directors with an end of year report on the year 3 priorities of the strategic business plan to set out successes and areas for further development. The trust has 3 aims – To be The Employer of Choice, The School of Choice and The Trust of Choice. Strong take up on the leadership pathways courses resulting in promotion for staff in the trust. Increase in first choices for Hartsdown and RHA. Full PAN at each school. Improved outcomes at KS4 and 5. DfE stating the trust is a strong trust.

Every Board meeting Directors receive a report from the CFO which monitors each school’s financial performance closely. Financial KPI’s are agreed at the beginning of the academic year and published with the monthly management reports in areas such as staff costs as a percentage of total expenditure, total income & expenditure per pupil both budget and forecast.

The Board consider the following to be key financial performance indicators:

- Accounts to be filed with Companies House and on the Trust website by 31 January of the following year.
- All statutory returns are to be submitted on time.
- All schools are expected to bring in a ‘balanced budget’ and explain reasons for variances unless otherwise instructed when the budgets are set. At least annually the Directors are presented with various benchmarking reports to ensure economy, efficiency and effectiveness over the use of Trust funds (value for money).

All KPI’s were met during the year.

Each school aims to continue to recruit and retain students at their full published admission numbers. Dane Court Grammar School &

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King Ethelbert School continue year on year to be oversubscribed. Hartsdown Academy were asked to accommodate an additional class in year 7 and Royal Harbour had their highest intake of year 7 to date.

The Trust has sought to maintain a cash balance that will enable each school to meet all expectations and plan for unforeseen circumstances. During the year there was a focus on investing cash reserves which resulted in the highest amount of investment income in recent years.

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Trust has adequate resources to continue operating for the foreseeable future. For this reason it has adopted the going concern basis to prepare these Financial Statements.

Promoting the success of the Trust

The Board in its decision making have consistently acted in a way to have regard to:

- ***The likely consequences of any decision in the long term***
All key decisions that will have an impact on the long-term future of the charity are discussed at the relevant sub-committee and Board. For major and long running projects, the board receives regular updates to ensure that there is appropriate oversight and that appropriate action is taken where necessary.
- ***The interest of the Trust's employees.***
The impact of major decisions on staff are discussed by the Board who also receive regular updates on staff pay, health & safety and safeguarding. The Board receives a summary of the annual engagement survey which highlights both strengths and areas for potential improvement on employment matters and how these will be mitigated through specific actions.
- ***The need to foster the Trust's business relationships with suppliers, customers and others***
The Board receives information on high level issues arising from relationships with suppliers or other stakeholders. The Board as appropriate discusses the nature of the relationships it wants with key stakeholders and the wider school community and there are clear processes for engagement through social media platforms and open events.
- ***The impact of the Trust's operations on the community and the environment***
CAT's key objective is to provide education for students within the Trust. The Board receives regular updates in terms of the monitoring of the funds received from the ESFA and that they are used efficiently and effectively.
- ***The desirability of the Trust maintaining a reputation for high standards of business conduct***
The nature of CAT's work as a charity makes the maintenance of its reputation for keeping high standards of particular importance. Appropriate systems and processes are in place to ensure the highest standards of education are maintained. The executive team will also update the board with any matters that may have given rise to a reputational risk including any mitigating actions being taken.
- ***The need to act fairly as between members of the Trust***
The academy trust is an independent entity. As a limited by guarantee company the Trust has members, and at 31 August 2024 had 3 members. Members all have equal voting rights. As responsibility to conduct the trust's business sits with the trustees, the members adopt an 'eyes on and hands off' to avoid compromising the board's discretion.

FINANCIAL REVIEW

Financial review and position

Most of the Trust's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2024 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities ("SoFA"). Core grant income has been supplemented by capital funding, and various other income streams.

Total income for the year was £55.18m compared to £45.97m in the previous year, however since the Trust expanded in both years comparisons of income between years difficult. Royal Harbour Academy (RHA) joined the Trust on 1 April 2023, and so the prior year reflected just five months of income for this school, and then 2024 includes two months' income for Newington Primary School, which joined the Trust on 1 July 2024.

Total income for 2024 included a £14.7m donation within note 3 to reflect the net value of assets and liabilities transferred into the Trust when Newington Primary School joined. The 2023 figure includes a similar donation of £13.4m respect of RHA.

Total income for each year also included capital funding of £3.4m and £3.2m respectively.

Revenue income for the day-to-day running of the Trust's academies has increased to £37.1m (2023: £29.3m). Most of this revenue income relates to the funding for educational operations, as detailed in note 6.

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Capital income for 2023/24 of £3.4m comprised School Condition Allocation (SCA), Condition Improvement Funding (CIF) for specific projects, and Devolved Capital Funding. The Trust received guaranteed SCA funding for the first time this year, having exceeded the size eligibility criteria, and moving forward will now be sure of receiving a significant sum of capital funding that can be spent on building improvement projects according to need, without the need to make applications to the CIF fund.

Total expenditure for the year was £39.0m resulting in net income for the year of £16.5m (2023: £9.4m), as shown on the SoFA.

The overall net movement in funds, after actuarial movements on the Local Government defined benefit pension scheme ("LGPS"), was an increase of £16.0m (2023: £11.2m). This overall movement does not reflect the meaningful operational result and includes movements that do not relate to day-to-day running of the Trust's academies. The table which follows has been included to reconcile to the more meaningful movement in revenue income funds, an increase of £371k (2023: £542k), and then to the operational result, a surplus of £315k (2023: £1.1m).

	2024 (£000s)	2023 (£000s)
Overall net movement in funds for the year per SoFA	16,021	11,226
Increase attributable to fixed asset fund	(15,650)	(9,128)
LGPS actuarial loss/(gain)	477	(1,844)
LGPS service and interest costs	(346)	161
LGPS balance inherited on conversion of NPS (2023: RHA)	(131)	127
Increase in revenue income funds in the year	371	542
Less revenue funds inherited on NPS conversion	(550)	-
Increase / (decrease) in revenue funds in the year excluding funds inherited	(179)	542
Add: Transfers from revenue to capital to fund fixed asset additions	494	561
Operational surplus on revenue income funds before transfers to capital	315	1,103

Since these financial statements provide information at trust level there is little detail about individual academies within them. Within note 19 there is a disclosure setting out the revenue carry forward balances at an individual level, and this reveals that Hartsdown Academy carried a deficit of £1.19m on revenue income funds at 31 August 2024 (2023: £1.50m). Note 19 explains why this has happened and the continued action being taken by Directors to return Hartsdown to an overall surplus position, which will take some time. The collective strength of the overall trust and its other academies continues to support Hartsdown.

At the end of August 2024, the net book value of assets amounted to £87.2m (2023: £71.7m), and a large proportion of the value sits in the land and buildings occupied by the Trust's academies. These buildings are used almost exclusively for educational operations and the associated support services to students in the academies.

RHA joined the Trust with an existing Private Finance Initiative (PFI) arrangement in place. RHA operates from two sites, with the 'lower' site connected to the PFI agreement. The on-going contractual commitments under this PFI agreement are disclosed on note 29.

The total funds of the Trust at 31 August 2024 amounted to £91.6m (2023: £75.6m). Of this total, £3.2m (2023: £2.8m) related to revenue funds, split between unrestricted funds and restricted revenue funds. In addition, the Trust was holding unspent capital funding, in cash terms, of £1.3m (2023: £1.1m) at the year end, which is included in the fixed asset fund balance which otherwise represents the net book value of capitalised assets held on the Trust's Balance Sheet.

The pension reserve, relating to the present value of the Local Government Pension Scheme (LGPS) defined benefit liability, shows a £nil balance at 31 August 2024 (2023: £nil). In accordance with accounting requirements, the Trust's share of LGPS is carried on the Balance Sheet, with movements each year quantified by the Local Authority's actuary and reflected through the SOFA. However this year the valuation report received from the Local Authority appointed actuary again indicated that a pension accounting surplus existed at 31 August 2024. The accounting standards state that if an employer has an accounting surplus, it should only be recognised to the extent that it is able to recover the surplus either through reduced contributions in the future, or through refunds. There are differing opinions as to the extent to which a pension surplus represents an "unconditional right" of employers and therefore the extent to which the surplus can be recognised as being of economic value, and to date the ESFA have been unable to give any guidance to academy trusts. The Directors have therefore taken the view that, since the Trust is a long-term employer open to new members, there is not a reasonable expectation of ever reaching a point of cessation and therefore being able to access a return of surplus. Accordingly, the surplus has not been included, and a break-even £nil position has been reflected on the Balance Sheet. The pension surplus is disclosed in note 2 and the actuarial assumptions and other movements in the year are disclosed in note 27.

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Any pension surplus or deficit is merely an accounting figure calculated under FRS 102 for the purposes of the financial statements and has no direct effect on the employer contribution rate paid by the Trust, which is determined using longer-term funding assumptions. These contribution rates are reviewed every three years in consultation with the scheme's administrators, and current employer contributions due by the Trust are fixed until 1 April 2026.

Reserves policy

The Directors review the reserves policy of the Trust annually and their level is reviewed monthly. This review encompasses the nature of income and expenditure streams, the need to match income with commitments, the nature of reserves, the expected final outcome for the coming year, any exceptional needs that might need to be met by one or more of our academies, the central management needs for cross Trust initiatives and the Trusts capital investment programme for the coming year.

Revenue reserves held by the Trust increased during 2023/24 but this was only because of the balance transferred in when Newington Primary School joined the Trust. However, whilst revenue funds did reduce by £179k if the conversion balances are excluded, this was due to planned significant revenue to capital contributions, and, as noted in the financial review, the operational result for the year was a surplus of £315k.

It is the Directors' continuing intention that the level of reserves should be maintained at a level which provides sufficient working capital to cover delays between spending and receipt of grants, to provide a cushion to deal with unplanned needs and ensure the continued support of an individual school in the event that the financial position changes.

Directors consider it appropriate to hold reserves equivalent to at least 5% of total annual recurring revenue income, which is expected to in the region of £2.15m for 2024/25. Total revenue funds held at 31 August 2024 amounted to £3.2m. The 'free' reserves i.e. those income funds held which are freely available for general purposes are the unrestricted element of revenue funds - £2.61m (2023: £2.08m). The Directors are satisfied with the current level of reserves held due to the level of risks and uncertainty within the education sector at this time.

Financial and risk management objectives and policies

The Trust uses various simple financial instruments including cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to maintain finance for the Trust's operations.

The existence of these financial instruments exposes the Trust to liquidity risk and cash flow interest risk:

- *Liquidity risk* – the Trust manages its cash resources, including sufficient working capital, so that its bank ledger balance is available to the finance team for monitoring at all times and is always taken into account when making payments.
- *Interest rate risk* – the Trust has used risk free managed investments to maximise interest on income wherever possible and shall continue to do so.

Principal risks and uncertainties

The Trust monitors the principal risks and has drawn up risk registers for each academy which are regularly reviewed. A CAT level risk register capturing the major risks faced by the Trust is monitored at Board level. In particular, the financial risk is that public funding will not rise in line with the cost base giving rise to potential unsustainable deficits within the Trust. This risk is mitigated by careful budget planning – overseen by the Finance Committee – and where possible securing additional resources to supplement Government funding. This remains relevant at this time due to the current economic climate and utility costs.

The principal operational risk to the Trust is that academic performance and attainment data does not meet the expectations of the regulator over time. This risk is mitigated by cross Trust expert support to improve teaching and learning, as well as by active results and data monitoring.

Due to the age of some of the school buildings more focus has been placed on estates management. This year has seen the financial benefit of employing the Trust Estates Officer who, through collaboration and a more focussed over-view of school priorities has started to identify cost savings and more efficient ways of working together.

During the 2023 Reinforced Autoclaved Aerated Concrete (RAAC) was identified at King Ethelbert School with several teaching areas having to be vacated by staff and students for health and safety reasons. The Trust and school have continued to work with the DfE closely during the past year through fortnightly 'keeping in touch' meetings. All the areas of the site that have RAAC in the roof remain out of bounds to everyone. These areas are inspected twice a year by Knapp Hicks to ensure we are all aware of their exact condition, and our site team carry out weekly visual inspections to monitor the RAAC. The school continues to use two phases of temporary classrooms and remains able to deliver all areas of the curriculum with minimal disruption.

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The school is now formally under the School Rebuilding Programme (SRP) and we are nearing the end of the feasibility stage, which has involved numerous surveys of the site and its buildings. We hope to go out to tender in 2024 Q4, at which point there will be more accurate information regarding timelines. The SRP design includes the demolition of all RAAC areas and the Reflection Unit, a new two-storey building with 8 state of the art science labs and a degree of refurbishment and remodelling in the main building and red building.

To address the teacher recruitment and retention national concerns the Trust has developed bespoke training programs for senior leaders & middle leaders which aids succession planning.

Investment policy

All schools in the Trust only invest money in accounts which minimise the risk of loss. Speculative investments are not made.

FUNDRAISING

The Trust's fund raising is carried out and monitored at school level. The schools do not work with commercial or professional partners, and do not carry out direct marketing. All fund raising activities are small scale, and carried out directly by the schools not by third parties. The schools and Trust have established complaints procedures for all types of complaints.

EQUAL OPPORTUNITIES

It is the Trust's policy to recognise that equal opportunities should be an integral part of good working practice within the workplace. The Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

DISABLED PERSONS

The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The academy trust does this by making reasonable adjustment to the physical environment wherever possible, by making support services available and through training and career development.

STREAMLINED ENERGY AND CARBON REPORTING

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2023/24 *	2022/23
Mandatory requirements:		
Gas	2,827,091	2,621,600
Purchased electricity from the grid	2,075,092	1,426,488
Transport fuel	42,113	31,048
Total energy (mandatory)	4,944,296	4,079,136

Breakdown of emissions associated with the reported energy use (tCO₂e):

Emission source	2023/24 *	2022/23
Mandatory requirements:		
<u>Scope 1</u>		
Natural gas	517.1	478.5
Transport - Trust owned vehicles (mini-buses)	6.3	5.7
<u>Scope 2</u>		
Purchased electricity (location-based)	429.6	275.9
<u>Scope 3</u>		
Transport – Business travel in employee-owned vehicles	4.0	3.0
Total gross emissions (mandatory)	957.0	763.1
<u>Intensity ratios (mandatory emissions only)</u>		
Tonnes of CO ₂ e per pupil	0.203	0.213

Note * 2023/2024 The trust increased in size with the addition of Royal Harbour Academy on 1 April 2023. This is a split site school, resulting in increased transport fuel for staff travel.

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Intensity ratio

The primary intensity ratio is total gross emissions in metric tonnes CO₂e (mandatory emissions) per pupil, which is the recommended ratio for the sector for consistency and comparability. Pupil numbers are based on the Autumn 2022 Census.

Sustainability and Energy Reduction Strategies:

Dane Court:

Lights: 96.3% of lighting in school has been replaced by LED lights. 15 large lights in the car park have been replaced by LED lights. Last year: The old gas boilers were replaced by modern more efficient ones and all windows/doors in school are now double-glazed units.

Water: Working with Southern Water/ DFE and Groundworks UK four new interlinked rain gardens were built resulting in 6.5million litres of water being captured by the rain gardens in the past year which is slowly filtrated down and released back into the system after capture. We have also had large, planted troughs installed at the bottom of drainage pipes which carry rainwater from the school roofs further slowing/preventing run off into the drainage systems.

Paper: We recycle cardboard/paper and plastic in school. The finance office is paperless now and we use electronic signature system throughout the school to help prevent printing off documents. Where possible we email or message parents/students to save on printing and postage.

King Ethelbert:

Heating: New gas boilers upstairs and downstairs in main building. The downstairs install also included replacement heating distribution

Lights: Emergency lighting replaced with LED where there were failures.

Roof: CIF projects have replaced/renewed all roofs on the main building including improved insulation

Paper: The finance and personnel processes are paperless now and we use electronic signature system. Where possible we email or message parents/students in order to save on printing and postage.

Cliftonville:

Solar: 209kw (415) solar PV panels - 70% self-sufficient.

Trees & Plants: 400 trees planted on school field. Creation of school garden - growing veg and fruit.

Conditioning: Installation of electric heating/ air con units powered by PV panels

EV: Electric car charger installed

Playground: Purchased recycled benches.

Water: Installed planters to catch rainwater and absorb excess water rather than flow through drains to the sea. Water Butts for school garden.

Food: Meat free menu one day per week

Climate Action Plan: Develop Climate Action Plan for action towards long term sustainability and embed within curriculum.

Royal Harbour Academy:

Paper: The finance and personnel processes are paperless now and we use electronic signature system. Where possible we email or message parents/students to save on printing and postage.

Lights: 95% LED lights have been replaced around the building. Staff car park lights have been replaced with LED.

Computing: All programmes are cloud based. A programme will be launched to shut down al computers each evening.

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Water: Men urinals flush all day, and we are looking to change this to sensor, this will be a phased in over the next couple of years.
 EV: Charger to be installed at upper school in October.

Water: Men urinals flush all day, and we are looking to change this to sensor, this will be a phased in over the next couple of years.

EV: Charger to be installed at upper school in October.

PLANS FOR FUTURE PERIODS

The Trust has a three-year Business Plan. The aims of this plan maintain the core ethos of the schools and the Trust, and build on the successes to date. We continue to aim to be the employer of choice, school of choice and trust of choice. Year 3 priorities have been detailed below. The aims include:

Aim One: Employer of Choice		
AIM	ACTIONS	SUCCESS CRITERIA
1. Staff development and leadership	<ul style="list-style-type: none"> Continue to refine and develop the CAT leadership programmes: <ul style="list-style-type: none"> - new to SLT - Aspiring middle leaders - Aspiring senior leaders Track participants/evaluations and career progression in order to promote success both internally and externally Respond to need for bespoke leadership development courses by liaising with HTs on specific areas of need for both senior and middle leaders Celebrate and promote success on CAT website 	<ul style="list-style-type: none"> Clear and defined career pathways for staff progression All leadership courses show appropriate development and progression CAT website reflects the successes of all leadership courses Strengthened effective senior and middle leaders in all schools
2. Refine the process for CAT reviews and specific school reviews so that areas for development are shared and acted upon across all schools.	<ul style="list-style-type: none"> Carry out at least one whole CAT review with a week of monitoring/data collection/observations etc. (SEN) Share findings with each other and use to develop CAT action plan which will be fed back to the CAT Board Trust School Improvement Lead to attend Academic Standards data meetings so that specific department reviews and actions can be linked to outcomes. These areas, of course, to be shared with all schools to ensure joint ownership and accountability for improvement. 	<ul style="list-style-type: none"> Detailed evaluation of SEN provision across CAT with strengthened areas of development and actions created. Academic standards action plan links coherently with department reviews and actions.
3. Cross CAT CPD development day.	<ul style="list-style-type: none"> Plan and deliver an appropriate and valuable development day to all CAT staff – June 2025 	<ul style="list-style-type: none"> Successful CPD day noted through evaluations
4. Recruitment and Retention	<ul style="list-style-type: none"> Continue to share recruitment strategies across CAT Use CAT website to promote opportunities, development, training and successes of staff in order to recruit professionals wanting to develop their career 	<ul style="list-style-type: none"> Continue to share recruitment strategies across CAT Use CAT website to promote opportunities, development, training and successes of staff in order to recruit professionals wanting to develop their career
5. SCITT	<ul style="list-style-type: none"> Promote, expand and develop CAT as a SCITT with student teachers choosing CAT for training and employment. Internal posts for supporting trainees developed across Trust for career development. 	<ul style="list-style-type: none"> 10 SCITT participants 2025 Cohort 2024/25 successfully complete PGCE year with positive evaluations

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Aim Two: School of Choice

AIM	ACTIONS	SUCCESS CRITERIA
<p>1. School Improvement</p>	<ul style="list-style-type: none"> • Each school carries out a minimum of 5 reviews each academic year with area of focus agreed by KG/LPA. • Action plans shared with Trust Executives and follow up reviews to address areas of concern where necessary. • Link above with data group. • External support/review arranged with school/LPA to ensure external scrutiny is part of our process for development. • Summary report delivered to CAT Board annually. • Outcomes improved at KS2, KS4 and KS5 with specific actions recorded and monitored at Trust level. • RHA RI to Good to remain high priority. <ul style="list-style-type: none"> i. Steering group once a month (DR) ii. Explicit intervention by KG/LPA in areas/subjects needing support iii. Staffing level of need discussed at Trust level with intervention where appropriate by KG/HR iv. Strengthen middle leaders at RHA v. CAT schools used for reviews to monitor progress. 	<ul style="list-style-type: none"> • All schools have reviews with clear points of action followed through. • Outcomes at KS2, KS4 and KS5 continue to improve in all our schools. • RHA continues to improve and there is confidence that a Good will be achieved in all 4 categories for Ofsted. • Middle leaders strengthened and have more ownership of their areas. • CAT monitoring gives evidence of impact/intervention. • All schools are confident for Ofsted.
<p>2. School promotion via social media</p>	<ul style="list-style-type: none"> • CAT website to be used more effectively to promote Trust and individual schools. • Encourage and promote social media across our schools and share good practice. • Develop action plan to ensure promotion in each school of events/successes across the Trust which support school growth i.e. publicise destinations collectively and share with primary schools ('this is what you can achieve at a CAT school'), track primary CAT students across year groups; encourage celebration of each other at governing body meetings/external events. 	<ul style="list-style-type: none"> • CAT website developed. • Schools are confident with social media promotion. • Action plan created for Trust successes/promotion across Thanet and more widely.
<p>3. Sixth Form Development</p>	<ul style="list-style-type: none"> • Sixth form review focussing on recruitment and retention with actions noted, acted upon and evaluated. • Continue with marketing and media plans with specific emphasis on increasing community understanding and knowledge of the IB. 	<ul style="list-style-type: none"> • Numbers in sixth form improve. • Students retention numbers from Year 12/13 are high
<p>4. Attendance</p>	<ul style="list-style-type: none"> • Continue to focus on attendance as an area of concern for all schools. • CAT attendance group to include external colleagues to strengthen resources/contribute strategies for improvement 	<ul style="list-style-type: none"> • Attendance improves across the Trust

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AIM	ACTIONS	SUCCESS CRITERIA
5. Student Coaching Development across CAT	<ul style="list-style-type: none"> • Create a steering group of leaders across our schools in order to explore effective coaching. • Create an action plan which will create excellent protocols/practice for coaching. • Trial group of volunteers from across CAT schools to measure impact and report back to each other and the CAT Board. • Each school will become a centre of excellence for coaching over the next 2 / 3 years. 	<ul style="list-style-type: none"> • Clear coaching plan developed across Trust with initial actions taken. • Practice shared across all schools.
6. Curriculum Transition	<ul style="list-style-type: none"> • Start to explore curriculum transition across CAT schools. • Does the primary view of 'secondary ready' match the secondary view? • Audit of skills needed in Year 7 • school to school visits • Middle years and the primary curriculum 	<ul style="list-style-type: none"> • Develop a plan of curriculum transition that has timelines and specific tasks/impact.

Aim Three: Trust of Choice

AIM	ACTIONS	SUCCESS CRITERIA
1. Trust Growth	<ul style="list-style-type: none"> • Develop a simple Trust Growth protocol for future growth which will include our commitment to Thanet youngsters as well as a clear understanding of why a school would want to join us. • Continue to work with other schools and Trusts to build relationships, strengthen our Trust and ensure we are outward looking. 	<ul style="list-style-type: none"> • Plan written and approved by Trustees • CAT becomes a partner of choice (informally as well as potentially formally)
2. Sixth Forms across the Trust	<ul style="list-style-type: none"> • Following the SRMA reports, carry out a full review on sixth form provision offered at each secondary school. This is separate to, but in line with, our marketing and media strategy (see School of Choice). • Should all schools have a sixth form? • How do our curriculum options help us share and develop appropriate post-16 choices for CAT students? • What impact do our sixth forms have in our schools - financially/recruitment of staff/aspiration/community appeal. 	<ul style="list-style-type: none"> • Review completed and reported to Trust Board
3. Estate Management and Health and Safety	<ul style="list-style-type: none"> • Develop protocols for estate funding priorities: • Health and safety/safeguarding/curriculum development etc. • Ensure clear accountability for the Trust regarding capital spending priorities. 	<ul style="list-style-type: none"> • Clear protocols understood and agreed by all schools/Trust Board.
4. Finance	<ul style="list-style-type: none"> • Support schools with financial management whilst being more proactive regarding opportunities for shared CAT grants 	<ul style="list-style-type: none"> • Apply for at least one grant to support all CAT schools.
5. IT	<ul style="list-style-type: none"> • Continue to develop IT strategy plan linking with safeguarding/workload/curriculum development 	<ul style="list-style-type: none"> • Clear IT strategic plan with aims/action/impact.

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AIM	ACTIONS	SUCCESS CRITERIA
6. AI Development	<ul style="list-style-type: none"> Create a CAT working party to work with external support to develop an AI action plan. 	<ul style="list-style-type: none"> AI CAT action plan created with report to Board on AI delivery.
7. SEN	<ul style="list-style-type: none"> All CAT schools continue to contribute to changes in SEN provision across Kent. CAT to be seen as proactive and engaged in SEN area plan. SEN CAT review. Track and audit provision and best practice particularly around teaching and learning opportunities 	<ul style="list-style-type: none"> All schools feel supported and knowledgeable about SEN changes in Kent.
8. Governance	<ul style="list-style-type: none"> Continue to explore and develop governance/Trust links. Encourage governing bodies to visit other CAT schools and share CAT values/vision/language across LSBs. Define a specific area for our ongoing governance review. Map/collate and use effectively governing body minutes to link with Trust work and monitor the challenge of minutes 	<ul style="list-style-type: none"> Good practice shared across governing bodies which continue to grow/strengthen practice.
9. CAT sustainability and climate change	<ul style="list-style-type: none"> Audit of where CAT schools are with sustainability. Create action plan for CAT. 	<ul style="list-style-type: none"> Audit complete. Action plan with impact measures created by end of the academic year.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust distributes 16-19 bursary funds to the students as an agent for the ESFA. Details, including any amounts not dispersed by the financial year end, are disclosed in note 30 to the financial statements.

King Ethelbert is a school direct provider and the funding it receives for this purpose is transferred to East Kent Learning Alliance, a company that delivers the objectives for three teaching schools.


AUDITORS

Insofar as the Directors are aware:


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

The auditors, UHY Hacker Young, have indicated their willingness to remain in office, and the members will consider auditors for 2023/24 at the annual general meeting.

This report, incorporating the Strategic report, was approved by order of the Board of Directors, as the company directors and signed on the board’s behalf by:

Signed by:

 4F4B4E4361294BC...

Mr. D Roberts (CBE), Chair of Trustees

DocuSigned by:

 C96DD0B99A44476...

Ms. K. Greig, Accounting Officer

Date: 25 November 2024

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Governance Statement

Scope of Responsibility

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

The Board of Directors has delegated the day-to-day responsibility to the Executive Headteacher, as Accounting Officer, for ensuring financial controls conform to 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 Coastal Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Conflict of Interest

Along with all Key Personnel, Trustees make an annual declaration about their interests in businesses or other charities, and this is carefully reviewed by the finance team. Any business interests that involve key personnel are highlighted to all those involved in procurement work, so that notification is made to the ESFA, and where necessary, permission sought before any transaction is made. There is an item on every agenda to highlight any potential conflicts of interest relating to the agenda, and also for Trustees to declare any new interests. This approach is replicated within Local Governing Bodies. The format and content of information provided to the Board is continually under review to ensure that it is both relevant and easy to understand. There has been a particular focus on the way data is being presented to the Committees with developments being made to ensure information is appropriate, concise and easy to understand. The Trustees remain satisfied that they are getting the information they need in a timely and appropriate manner.

Governance

The information on governance included here supplements that described in the Directors' report and in the Statement of Directors' responsibilities.

To strengthen financial control and accountability the Directors have established a Finance Committee consisting of three Directors, the accounting officer and a co-opted member as chair. This Finance Committee (amongst other things):

- Advises the Board on issues of strategic financial planning and best financial practice.
- Approves the annual budgets of each academy in the trust.
- Advises the Board and accounting officer on the adequacy and effectiveness of Coastal Academies Trust's governance, risk management, internal control and value for money systems.
- Ensures that Coastal Academies Trust operates within all Financial Regulations.
- Receives reports (annual reports, management letters etc.) from the external auditor and considers any issues raised, the associated management response and action plans. Where appropriate, reports are referred to the Board or other committees for information and action.

The Board of Directors has formally met 6 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

<u>Director</u>	<u>Full Board Meetings attended</u>	<u>Out of a possible</u>
Mr. D Roberts, Chair of Board	6	6
Mr G Berry, Chair of CAT finance	5	6
Mr A Brookes	5	6
Mr M. Emery	6	6
Ms. K. Greig	6	6
Ms. M. Hooper	5	6
Ms. V Pottinger	3	6
Mr R Curtis	3	6
Ms S Snaydon	5	6
Ms. V Crawley	4	6
Ms K Sharp	2	6

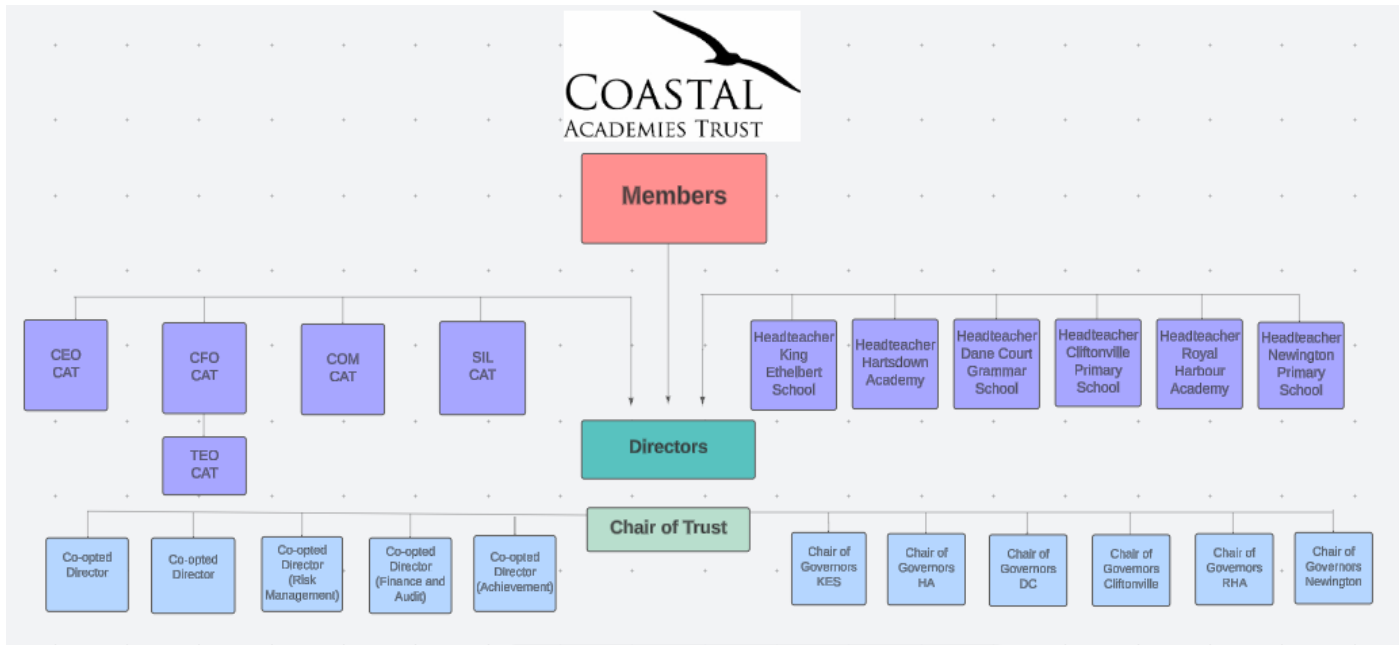
Attendance at meetings of the trust level Finance Committee (which also fulfils the remit of an audit & risk committee) in the year was as follows:

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Governance Statement

<u>Director</u>	<u>Finance Committee Meetings attended</u>	<u>Out of a possible</u>
Mr G Berry , Chair of Finance committee	3	3
Ms. K. Greig	3	3
Mr M Emery	3	3
Mr. D. Roberts	3	3
Mr. R Curtis	2	3

Structure of the trust:



The Trust board reviews its effectiveness each year in three ways:

1. An annual review of the outcomes of its business plan in which the Board evaluates whether it has been effective in implementing its targets.
2. Regular discussions with our DfE contact in which the effectiveness of the Trust is externally discussed.
3. Skills Audit when new Directors are appointed in order to identify gaps in knowledge.

In 2023/24 the Board concluded from these reviews that academic results still needed to improve significantly at Royal Harbour Academy. The Board received reports from the Academic standards committee throughout the year. Financial monitoring continued to be rigorously checked across the trust. This was reported to the board through the CAT Finance Committee.

A Skills Analysis has shown that the Board is strong in the following key areas of expertise:

- Financial Management
- Human Resources
- Corporate Governance
- Educational Leadership
- Educational Theory
- Private Sector Financial Strategy
- Chartered Accountancy
- Links with the Local Community
- Business Leadership
- Change Management
- Marketing

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Governance Statement

Areas where the Trust may wish to increase its expertise at Board level include:

- Premises (although we now have a Trust Estates Officer who will report as required to the board)
- Links with local Employers
- Legal Expertise

The skills audit shows a gap in legal and premises knowledge - the trust has access to legal advice through our insurance company. The trust is aware of the premises and estate management gap and is seeking ways to address this.

Review of Value for money

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

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

- Directors and the executive team welcomed the opportunity for School Resource Management Advisor (SRMA) scrutiny in schools within the Trust (other than Newington Community Primary School). This has produced some very useful evidence in areas of work that have already started such as teacher contact ratio, TLR payments and 6th form provision. It has been particularly helpful in bringing ICFP into the information that is used to assist in financial decision making.
- The Trust has, through financial prudence and good governance, improved the reserves level of the organisation in a very challenging financial environment.
- Continued targeted intervention by utilising Pupil Premium funding to close the gap between such students and the rest of the cohort.
- Collaborative working across the trust to improve educational outcomes for all students.
- Improved purchasing decisions with CAT-wide contracts to improve value for money. All schools use of Government Frameworks has increased. Joint contracts include insurance, utilities and IT support. The intention is to increase the number of CAT-wide contracts where practicable and where there is a clear benefit.
- Regular review in order to be satisfied that the Trust's estate is safe, well-maintained and complies with relevant regulations.
- Plans are in place to review payroll and HR procedures across the Trust schools with a view to implement a more consistent and streamlined approach, ensuring best use of staff resource in this area.
- All schools, as part of the Trust's Estates Management Strategy, have developed estate maintenance plans which are funded from the new SCA money. All expenditure is scrutinised by the Trust Estates Officer using the competitive tendering policy to ensure best value.

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 ongoing 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 Coastal Academies Trust for the year 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

The Board of Directors has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors 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 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

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. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors;
- regular reviews by the Finance Committee consolidating the figures from each constituent academy to get an overview of

Coastal Academies Trust
(A company limited by guarantee)

Governance Statement

- the Trust's financial performance;
- regular reviews by the Finance/Resources Governor, Headteacher & Business manager, of each school of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Directors considered the need for a specific internal audit function and for 2023/24 and re-appointed McCabe Ford Williams, a firm of auditors, to perform a programme of internal scrutiny checks to provide ongoing assurance throughout the year.

Early in 2023/24 a programme of work was agreed with three rounds of visits, each round including half a day in each school concentrating on each academy. Checks were conducted reviewing the following specific topics:

1. Review of trading income for VAT purposes;
2. Review of internal controls and bursary spending; and
3. Review of payroll systems after centralisation.

Following the visits, a written report of findings was prepared for the Directors. No significant issues have arisen from the year and other observations noted by McCabe Ford Williams have been dealt with or the trust is in process of taking appropriate action.

Each report was accompanied by a Trust action plan. The Directors therefore feel that during the year ended 31 August 2024, they have received sufficient assurance over the risks to internal control in line with the requirements of the Academy Trust Handbook.

Review of Effectiveness

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

- the work of the external auditors; 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 Finance Committee and a plan to address weaknesses identified and 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 Directors and signed on their behalf, by:

Signed by:

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Mr. D Roberts, Chair of Trustees

DocuSigned by:

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Ms. K. Greig, Accounting Officer

Date: 25 November 2024

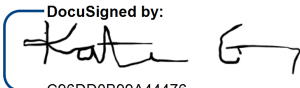
Coastal Academies Trust
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Statement of Regularity, Propriety and Compliance

As accounting officer of Coastal Academies Trust, I have considered my responsibility to notify the academy trust Board of Directors 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 academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

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

DocuSigned by:

C96DD0B99A44476...
Ms. K. Greig
Accounting Officer

Date: 25 November 2024

Coastal Academies Trust
(A Company Limited by Guarantee)

Statement of Directors' responsibilities
For the Year Ended 31 August 2024

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

Company law requires the Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Directors are required to:

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

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

The Directors 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 Directors and signed on its behalf by:

Signed by:

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Mr. D. Roberts
Chairman of the Board of Directors

Date: 25 November 2024

Coastal Academies Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Coastal Academies Trust

Opinion

We have audited the financial statements of Coastal Academies Trust (the 'academy trust') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Coastal Academies Trust
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Independent Auditors' Report on the financial statements to the Members of Coastal Academies Trust (continued)

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 Directors' Responsibilities, the Directors (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors 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 Directors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities including fraud

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

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our commercial knowledge and experience of the academy and wider education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Academy Trust Handbook, Academies Accounts Direction, Charity SORP and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Coastal Academies Trust
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Independent Auditors' Report on the financial statements to the Members of Coastal Academies Trust (continued)

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

DocuSigned by:

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Allan Hickie BSc FCA (Senior Statutory Auditor)

for and on behalf of
UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 17 December 2024

Coastal Academies Trust
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 5 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Coastal Academies Trust during the year 1 September 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Coastal Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Coastal Academies Trust's funding agreement with the Secretary of State for Education dated 23 March 2011 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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.

Approach

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

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

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

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

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of Coastal Academies Trust for the year ended 31 August 2024 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

- an assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

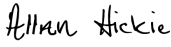
In line with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued March 2024, we have not performed any additional procedures regarding the academy trust's compliance with safeguarding, health and safety and estates management.

Coastal Academies Trust
(A Company Limited by Guarantee)

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

Conclusion

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

DocuSigned by:

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UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 17 December 2024

Coastal Academies Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2024

	Note	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Income from:						
Donations and capital grants	3	494	231	17,376	18,101	16,697
Other trading activities	4	217	-	-	217	322
Investments	5	32	-	-	32	1
Funding for educational operations	6	358	36,469	-	36,827	28,947
Total income		1,101	36,700	17,376	55,177	45,967
Expenditure on:						
Raising funds		9	5	-	14	17
Charitable activities	8	88	36,357	2,220	38,665	36,568
Total expenditure		97	36,362	2,220	38,679	36,585
Net income		1,004	338	15,156	16,498	9,382
Transfers between funds	19	(481)	(13)	494	-	-
Net movement in funds before other recognised gains/(losses)		523	325	15,650	16,498	9,382
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	27	-	(477)	-	(477)	1,844
Net movement in funds	19	523	(152)	15,650	16,021	11,226
Reconciliation of funds:						
Total funds brought forward		2,083	727	72,808	75,618	64,392
Net movement in funds		523	(152)	15,650	16,021	11,226
Total funds carried forward	19	2,606	575	88,458	91,639	75,618

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

The notes on pages 34 to 60 form part of these financial statements.

Coastal Academies Trust
(A Company Limited by Guarantee)
Registered number: 07552665

Balance Sheet
As at 31 August 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	15	87,186	71,688
Current assets			
Debtors	16	3,017	1,496
Cash at bank and in hand		4,211	5,027
		7,228	6,523
Creditors: amounts falling due within one year	17	(2,758)	(2,571)
Net current assets		4,470	3,952
Total assets less current liabilities		91,656	75,640
Creditors: amounts falling due after more than one year	18	(17)	(22)
Defined benefit pension scheme asset	27	-	-
Total net assets		91,639	75,618
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	88,458	72,808
Restricted income funds	19	575	727
Total restricted funds	19	89,033	73,535
Unrestricted income funds	19	2,606	2,083
Total funds		91,639	75,618

The financial statements on pages 31 to 60 were approved and authorised for issue by the Directors and are signed on their behalf, by:

Signed by:

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Mr. D. Roberts
 Chairman of the Board of Directors

Date: 25 November 2024

DocuSigned by:

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Ms. K. Greig
 Accounting Officer

The notes on pages 34 to 60 form part of these financial statements.

Coastal Academies Trust
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2024

	Note	2024 £000	2023 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(469)	1,807
Cash flows from investing activities	23	(342)	110
Cash flows from financing activities	22	(5)	(5)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(816)	1,912
Cash and cash equivalents at the beginning of the year		5,027	3,115
Cash and cash equivalents at the end of the year	24, 25	<hr/> <hr/> 4,211	<hr/> <hr/> 5,027

The notes on pages 34 to 60 form part of these financial statements

Coastal Academies Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Transfer on conversion**

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

Coastal Academies Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

Where relevant expenditure is shown inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

The trust's capitalisation limits are: £2,000 for individual assets; £10,000 for group purchases of similar assets; £25,000 for building improvements and significant alterations. Assets costing more than this are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Long-term leasehold property	- 2% straight line
Furniture and equipment	- 25% straight line
Computer equipment	- 33% straight line
Motor vehicles	- 20% reducing balance

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

1.7 Debtors

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

Coastal Academies Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

1. Accounting policies (continued)

1.8 Cash at bank and in hand

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

1.9 Liabilities

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

1.10 Taxation

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

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

1.11 Financial instruments

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

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

1.13 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 30.

1.14 Fund accounting

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

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

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Notes to the Financial Statements
For the Year Ended 31 August 2024

1. Accounting policies (continued)

1.14 Fund accounting (continued)

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

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

1.15 Pensions

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The ultimate responsibility for setting the assumptions is that of the academy trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

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Notes to the Financial Statements
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2. Critical accounting estimates and areas of judgment (continued)

Critical areas of judgment:

FRS 102 section 28.22 allows an entity to recognise a pension asset "only to the extent it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan."

Whilst the LGPS actuarial valuation reports for the year ended 31 August 2024 indicates a defined benefit asset of £1,261k (2023: £685k) exists at the year end date, the Trustees have considered that there is insufficient evidence that a surplus being recognised would ever result in a repayment or reduction in contributions, given that such a surplus is probably only temporary. Also, as a longer term employer that is open to new members, there isn't a reasonable expectation that the academy trust will ever reach a point of cessation that would enable access to a return of surplus.

The actuarial movement has therefore been restricted to instead leave a break-even position on the Balance Sheet with neither an asset or liability recognised.

3. Income from donations and capital grants

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Assets inherited from Local Authority on conversion (see note 32)	450	231	13,985	14,666	<i>13,438</i>
Donations	44	-	-	44	<i>64</i>
Capital grants	-	-	3,391	3,391	<i>3,195</i>
	<u>494</u>	<u>231</u>	<u>17,376</u>	<u>18,101</u>	<u><i>16,697</i></u>
<i>Analysis of 2023 total by fund</i>	<u>64</u>	<u>(127)</u>	<u>16,760</u>	<u>16,697</u>	

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Notes to the Financial Statements
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4. Income from other trading activities

	Unrestricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Sales to students	31	31	46
Hire of facilities	99	99	86
Extended day income	52	52	40
Insurance claims	4	4	117
Other	31	31	33
	<u>217</u>	<u>217</u>	<u>322</u>
<i>Analysis of 2023 total by fund</i>	<u>322</u>	<u>322</u>	

5. Investment income

	Unrestricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Bank interest	32	32	1
	<u>1</u>	<u>1</u>	
<i>Analysis of 2023 total by fund</i>	<u>1</u>	<u>1</u>	

The academy trust has invested surplus funds into interest bearing fixed term deposit accounts, and the interest will be recognised at the end of the terms when all conditions have been adhered to.

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Notes to the Financial Statements
For the Year Ended 31 August 2024

6. Funding for educational operations

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	27,369	27,369	21,080
Other DfE/ESFA grants				
16 to 19 funding	-	2,472	2,472	2,723
Pupil Premium	-	2,187	2,187	1,786
Schools supplementary grant	-	-	-	537
Mainstream schools additional grant	-	954	954	398
Teachers pay grant	-	444	444	6
Teachers pension grant	-	381	381	99
Others	-	835	835	1,088
	-	34,642	34,642	27,717
Other Government grants				
Local Authority - SEN funding	-	480	480	283
Local Authority - Early years funding	-	170	170	76
Other government revenue grants	-	893	893	434
	-	1,543	1,543	793
Other income from educational operations	358	284	642	437
	358	36,469	36,827	28,947
<i>Analysis of 2023 total by fund</i>	282	28,665	28,947	

Coastal Academies Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

7. Expenditure

	Staff Costs	Premises	Other	Total	<i>Total</i>
	2024	2024	2024	2024	<i>2023</i>
	£000	£000	£000	£000	<i>£000</i>
Expenditure on fundraising trading activities:					
Direct costs	-	-	14	14	17
Educational operations:					
Direct costs	25,505	1,842	2,907	30,254	29,519
Allocated support costs	2,752	2,584	3,075	8,411	7,049
	<u>28,257</u>	<u>4,426</u>	<u>5,996</u>	<u>38,679</u>	<u>36,585</u>
<i>Analysis of 2023 total</i>	<u>22,013</u>	<u>10,382</u>	<u>4,190</u>	<u>36,585</u>	

Direct premises costs for the prior year include a £6.323m impairment charge.

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted	Restricted	Total	<i>Total</i>
	funds	funds	2024	<i>2023</i>
	2024	2024	£000	<i>£000</i>
	£000	£000	£000	<i>£000</i>
Educational operations	88	38,577	38,665	36,568
<i>Analysis of 2023 total by fund</i>	<u>100</u>	<u>36,468</u>	<u>36,568</u>	

9. Analysis of expenditure by activities

	Direct costs	Support costs	Total	<i>Total</i>
	2024	2024	2024	<i>2023</i>
	£000	£000	£000	<i>£000</i>
Educational operations	30,254	8,411	38,665	36,568
<i>Analysis of 2023 total by fund</i>	<u>29,519</u>	<u>7,049</u>	<u>36,568</u>	

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Notes to the Financial Statements
For the Year Ended 31 August 2024

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Staff costs	2,752	2,510
Premises costs	2,584	2,435
Technology costs	387	403
PFI service costs	1,238	521
Other support costs	1,376	1,035
Legal costs	27	99
Governance costs	47	46
	<u>8,411</u>	<u>7,049</u>

10. Net income

Net income for the year includes:

	2024 £000	<i>2023 £000</i>
Operating lease rentals	31	36
Depreciation of tangible fixed assets	2,220	1,870
Impairment of tangible fixed assets	-	6,323
Fees paid to auditors for:		
- audit	23	21
- other services	8	7
	<u>8</u>	<u>7</u>

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Notes to the Financial Statements
For the Year Ended 31 August 2024

11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024	<i>2023</i>
	£000	<i>£000</i>
Wages and salaries	21,152	16,338
Social security costs	2,182	1,664
Pension costs	4,565	3,666
	<u>27,899</u>	<u>21,668</u>
Agency staff costs	358	345
	<u>28,257</u>	<u>22,013</u>

Staff restructuring costs during the year were £76k (2023 - £59k).

Staff restructuring costs comprise:

	2024	<i>2023</i>
	£000	<i>£000</i>
Redundancy payments	32	9
Severance payments	44	50
	<u>76</u>	<u>59</u>

The £50k in the prior year relates to one severance payment which was awarded following a tribunal. The amount paid was fully covered and reimbursed by the insurers and so there was no net cost to the academy trust.

b. Severance payments

The academy trust paid 5 severance payments in the year (2023 - 1), disclosed in the following bands:

	2024	<i>2023</i>
	No.	<i>No.</i>
£0 - £25,000	5	-
£25,001 - £50,000	-	1
	<u>5</u>	<u>1</u>

c. Special staff severance payments

Included in staff restructuring costs are special non-contractual severance payments totalling £17k (2023 - £nil). Individually, the payments were: £3k, £4k, £10k.

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Notes to the Financial Statements
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11. Staff (continued)

d. Staff numbers

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

	2024	<i>2023</i>
	No.	<i>No.</i>
Teachers	355	312
Administration and support	386	294
Management	9	9
	<u>750</u>	<u>615</u>

The average headcount expressed as full-time equivalents was:

	2024	<i>2023</i>
	No.	<i>No.</i>
Teachers	328	292
Administration and support	264	203
Management	9	9
	<u>601</u>	<u>504</u>

e. Higher paid staff

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

	2024	<i>2023</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	23	8
In the band £70,001 - £80,000	5	3
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	-	2
In the band £100,001 - £110,000	2	1
In the band £110,001 - £120,000	1	-
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	2	1
In the band £140,001 - £150,000	1	-

f. Key management personnel

The key management personnel of the academy trust comprise the Directors and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,210k (2023 - £1,186k).

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Notes to the Financial Statements
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12. Central services

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

- Educational leadership
- Finance support
- HR expertise

The academy trust charges for these services on the following basis:

2.5% of GAG funding.

The actual amounts charged during the year were as follows:

	2024	<i>2023</i>
	£000	<i>£000</i>
Dane Court Grammar School	125	98
King Ethelbert School	120	90
Hartsdown Academy	141	95
Cliftonville Primary School	101	74
Royal Harbour Academy	157	54
Newington Community Primary School	15	-
Total	659	<i>411</i>

The central trust also made a contribution of £100k to Royal Harbour Academy in the year. This related to Start Up Grant funding received by central in the prior year.

13. Directors' remuneration and expenses

The Executive Headteacher has been paid remuneration and received related pension benefits as a consequence of her employment with the academy trust. She only receives remuneration in respect of services provided under her contract of employment and not as a trustee.. The value of Directors' remuneration and other benefits was as follows:

		2024	<i>2023</i>
		£000	<i>£000</i>
Ms. K. Greig, Executive Headteacher	Remuneration	145 - 150	<i>135 - 140</i>
	Pension contributions paid	35 - 40	<i>30 - 35</i>

During the year ended 31 August 2024, no Director expenses have been incurred (*2023 - £NIL*).

14. Directors' and Officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

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Notes to the Financial Statements
For the Year Ended 31 August 2024

15. Tangible fixed assets

	Freehold property £000	Long-term leasehold property £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation						
At 1 September 2023	51,616	25,720	1,767	1,207	1,169	81,479
Additions	1,408	1,114	931	94	186	3,733
Acquired on conversion	13,765	-	-	104	116	13,985
Transfers between classes	512	991	(1,746)	157	86	-
At 31 August 2024	<u>67,301</u>	<u>27,825</u>	<u>952</u>	<u>1,562</u>	<u>1,557</u>	<u>99,197</u>
Depreciation						
At 1 September 2023	5,916	1,902	-	1,088	885	9,791
Charge for the year	1,295	547	-	106	272	2,220
At 31 August 2024	<u>7,211</u>	<u>2,449</u>	<u>-</u>	<u>1,194</u>	<u>1,157</u>	<u>12,011</u>
Net book value						
At 31 August 2024	<u><u>60,090</u></u>	<u><u>25,376</u></u>	<u><u>952</u></u>	<u><u>368</u></u>	<u><u>400</u></u>	<u><u>87,186</u></u>
At 31 August 2023	<u><u>45,700</u></u>	<u><u>23,818</u></u>	<u><u>1,767</u></u>	<u><u>119</u></u>	<u><u>284</u></u>	<u><u>71,688</u></u>

Included in land and buildings is freehold land at value of £8.866m (2023 - £7.066m) and leasehold land at value of £1.593m (2023 - £1.593m) which are not depreciated.

During the prior year, it was identified that part of the King Ethelbert School building, included under freehold property, contains reinforced autoclaved aerated concrete (RAAC). No specific impairment has been included for this until the final outcome is known and the value of any impairment can be quantified.

16. Debtors

	2024 £000	2023 £000
Trade debtors	529	59
Other debtors	856	400
Prepayments and accrued income	1,632	1,037
	<u>3,017</u>	<u>1,496</u>

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Notes to the Financial Statements
For the Year Ended 31 August 2024

17. Creditors: Amounts falling due within one year

	2024	<i>2023</i>
	£000	<i>£000</i>
Other loans	5	5
Trade creditors	681	781
Other taxation and social security	586	390
Other creditors	714	544
Accruals and deferred income	772	851
	<u>2,758</u>	<u>2,571</u>
	2024	<i>2023</i>
	£000	<i>£000</i>
Deferred income at 1 September 2023	255	90
Resources deferred during the year	239	255
Amounts released from previous periods	(255)	(90)
	<u>239</u>	<u>255</u>

Deferred income mostly comprises ESFA funding (UIFSM), income for school trips and other trading income, received in advance for the 2024/25 academic year.

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

	2024	<i>2023</i>
	£000	<i>£000</i>
Other loans	17	22
	<u>17</u>	<u>22</u>

The other loans within notes 17 and 18 are Salix funding. The loans are interest free and fully repayable by September 2030.

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Notes to the Financial Statements
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19. Statement of funds

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
Unrestricted funds						
General funds	2,083	651	(97)	(31)	-	2,606
Transfer in on conversion	-	450	-	(450)	-	-
	<u>2,083</u>	<u>1,101</u>	<u>(97)</u>	<u>(481)</u>	<u>-</u>	<u>2,606</u>
Restricted general funds						
General Annual Grant (GAG)	40	27,369	(27,943)	534	-	-
Other DfE/ESFA grants	178	7,273	(7,181)	(198)	-	72
Other government grants	509	1,543	(1,293)	(257)	-	502
Other restricted	-	284	(291)	8	-	1
Transfer in on conversion	-	231	-	(231)	-	-
Pension reserve	-	-	346	131	(477)	-
	<u>727</u>	<u>36,700</u>	<u>(36,362)</u>	<u>(13)</u>	<u>(477)</u>	<u>575</u>
Restricted fixed asset funds						
Tangible fixed assets	71,688	-	(2,220)	17,718	-	87,186
DfE/ESFA capital grants	1,147	3,391	-	(3,244)	-	1,294
Salix loan	(27)	-	-	5	-	(22)
Transfer in on conversion	-	13,985	-	(13,985)	-	-
	<u>72,808</u>	<u>17,376</u>	<u>(2,220)</u>	<u>494</u>	<u>-</u>	<u>88,458</u>
Total Restricted funds	<u>73,535</u>	<u>54,076</u>	<u>(38,582)</u>	<u>481</u>	<u>(477)</u>	<u>89,033</u>
Total funds	<u>75,618</u>	<u>55,177</u>	<u>(38,679)</u>	<u>-</u>	<u>(477)</u>	<u>91,639</u>

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19. Statement of funds (continued)

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

General Annual Grant must be used for the normal running costs of each individual academy, and hence are shown as a separate restricted fund.

The other DfE/ESFA grant fund is used to track non-GAG revenue grant funding received from the DfE/ESFA and connected bodies, and principally included the material grants detailed separately in note 5.

The Other Government grant fund relates to restricted income received from other government bodies and includes money received from Kent County Council (KCC).

The pension reserve relates to the academy trust's share of the balance on the Local Government Pension Scheme overseen by its Local Authority.

The other restricted fund accounts for all other money received for a specific purpose and includes income received from parents and pupils for educational trips and visits.

The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward and the current fixed assets held. The transfer of £494k represents capital expenditure funded by revenue reserves during the year and the Salix loan repayments funded from GAG.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2024.

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Notes to the Financial Statements
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19. Statement of funds (continued)

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

	<i>Balance at 1 September 2022 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2023 £000</i>
Unrestricted funds						
General funds	1,828	669	(111)	(303)	-	2,083
Restricted general funds						
General Annual Grant (GAG)	(134)	21,080	(20,648)	(258)	-	40
Other DfE/ESFA grants	78	6,637	(6,537)	-	-	178
Other government grants	495	793	(779)	-	-	509
Other restricted	1	155	(156)	-	-	-
Pension reserve	(1,556)	(127)	(161)	-	1,844	-
	<u>(1,116)</u>	<u>28,538</u>	<u>(28,281)</u>	<u>(258)</u>	<u>1,844</u>	<u>727</u>
Restricted fixed asset funds						
Tangible fixed assets	63,231	-	(8,193)	16,650	-	71,688
DfE/ESFA capital grants	481	3,154	-	(2,488)	-	1,147
Salix loan	(32)	-	-	5	-	(27)
Other capital	-	41	-	(41)	-	-
Transfer in on conversion	-	13,565	-	(13,565)	-	-
	<u>63,680</u>	<u>16,760</u>	<u>(8,193)</u>	<u>561</u>	<u>-</u>	<u>72,808</u>
Total Restricted funds	<u>62,564</u>	<u>45,298</u>	<u>(36,474)</u>	<u>303</u>	<u>1,844</u>	<u>73,535</u>
Total funds	<u><u>64,392</u></u>	<u><u>45,967</u></u>	<u><u>(36,585)</u></u>	<u><u>-</u></u>	<u><u>1,844</u></u>	<u><u>75,618</u></u>

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Notes to the Financial Statements
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19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2024 were allocated as follows:

	2024	<i>2023</i>
	£000	<i>£000</i>
Dane Court Grammar School	1,322	<i>1,786</i>
King Ethelbert School	561	<i>634</i>
Cliftonville Primary School	1,165	<i>1,174</i>
Hartsdown Academy	(1,191)	<i>(1,499)</i>
Royal Harbour Academy	194	<i>129</i>
Newington Community Primary School	474	<i>-</i>
Central	656	<i>586</i>
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	3,181	<i>2,810</i>
Restricted fixed asset fund	88,458	<i>72,808</i>
	<hr/>	<hr/>
Total	91,639	<i>75,618</i>
	<hr/> <hr/>	<hr/> <hr/>

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit
	£000
Hartsdown Academy	<i>(1,191)</i>
	<hr/> <hr/>

From the financial year 2017/18 until the current financial year, the Board agreed a financial recovery plan for Hartsdown Academy, which allowed it to return in-year deficit positions supported by the wider trust.

The academy trust is taking the following action to return the academy to surplus:

- Restructuring staff, ensuring an effective curriculum offer fit for purpose;
- Continuous monitoring of pupil numbers;
- Marketing of the school to increase pupil numbers;
- Investing staff resource from across the trust to improve pupil outcomes to increase Hartsdown's reputation in the community and in turn increase pupil numbers; and
- Robust budgeting process with regular scrutiny of monthly management information and cashflow

2023/24 has been the second consecutive year Hartsdown Academy has reported an in-year revenue surplus since the agreed financial recovery plan. The result shown above is an in-year revenue surplus of £308k and it should be noted that this is after a transfer from revenue to capital of £83k.

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Notes to the Financial Statements
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19. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2024 £000	<i>Total 2023 £000</i>
Dane Court Grammar School	5,626	390	511	883	7,410	6,935
King Ethelbert School	4,521	462	619	967	6,569	6,302
Cliftonville Primary School	4,234	428	155	596	5,413	4,997
Hartsdown Academy	4,795	667	661	917	7,040	5,948
Royal Harbour Academy	5,587	788	511	2,188	9,074	3,680
Newington Community Primary School	541	86	32	73	732	-
Central LGPS	201	277	25	64	567	369
	-	(346)	-	-	(346)	161
Academy trust	25,505	2,752	2,514	5,688	36,459	28,392

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000
Tangible fixed assets	-	-	87,186	87,186
Current assets	2,617	3,087	1,524	7,228
Creditors due within one year	(11)	(2,512)	(235)	(2,758)
Creditors due in more than one year	-	-	(17)	(17)
Total	2,606	575	88,458	91,639

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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £000</i>	<i>Restricted funds 2023 £000</i>	<i>Restricted fixed asset funds 2023 £000</i>	<i>Total funds 2023 £000</i>
Tangible fixed assets	-	-	71,688	71,688
Current assets	2,083	3,293	1,147	6,523
Creditors due within one year	-	(2,566)	(5)	(2,571)
Creditors due in more than one year	-	-	(22)	(22)
Total	2,083	727	72,808	75,618

21. Reconciliation of net income to net cash flow from operating activities

	2024 £000	2023 £000
Net income for the period (as per Statement of Financial Activities)	16,498	9,382
Adjustments for:		
Impairment	-	6,323
Depreciation	2,220	1,870
Capital grants from DfE and other capital income	(3,391)	(3,195)
Defined benefit pension scheme balance inherited	(131)	127
Defined benefit pension scheme cost less contributions payable	(276)	109
Defined benefit pension scheme finance cost	(70)	52
Increase in debtors	(1,521)	(825)
Increase in creditors	187	1,529
Fixed assets inherited on conversion	(13,985)	(13,565)
Net cash (used in)/provided by operating activities	(469)	1,807

22. Cash flows from financing activities

	2024 £000	2023 £000
Repayments of borrowing	(5)	(5)
Net cash used in financing activities	(5)	(5)

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23. Cash flows from investing activities

	2024	<i>2023</i>
	£000	<i>£000</i>
Purchase of tangible fixed assets	(3,733)	<i>(3,085)</i>
Capital grants from DfE Group	2,924	<i>3,154</i>
Capital funding received from sponsors and others	467	<i>41</i>
Net cash (used in)/provided by investing activities	(342)	<i>110</i>

24. Analysis of cash and cash equivalents

	2024	<i>2023</i>
	£000	<i>£000</i>
Cash in hand and at bank	4,211	<i>5,027</i>

25. Analysis of changes in net debt

	At 1 September 2023 £000	Cash flows £000	Other non- cash changes £000	At 31 August 2024 £000
Cash at bank and in hand	5,027	(816)	-	4,211
Debt due within 1 year	(5)	5	(5)	(5)
Debt due after 1 year	(22)	-	5	(17)
	5,000	(811)	-	4,189

26. Capital commitments

	2024	<i>2023</i>
	£000	<i>£000</i>
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	173	<i>3,584</i>

The capital commitments at 31 August 2024 are in respect of various ongoing projects at four of the schools in the trust, all funded primarily by Condition Improvement Fund capital grants from the ESFA.

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27. Pension commitments

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

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

Contributions amounting to £553,000 were payable to the schemes at 31 August 2024 (2023 - £323,000) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The revised employer contribution rate, arising from the 2020 valuation, has been implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £3,708,000 (2023 - £2,651,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £1,564,000 (2023 - £1,078,000), of which employer's contributions totalled £1,237,000 (2023 - £850,000) and employees' contributions totalled £327,000 (2023 - £228,000). The agreed contribution rates for future years are 22.5 per cent for employers and 5.5 to 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a

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27. Pension commitments (continued)

parliamentary minute published on GOV.UK.

Principal actuarial assumptions

	2024	<i>2023</i>
	%	%
Rate of increase in salaries	3.8	3.90
Rate of increase for pensions in payment/inflation	2.8	2.90
Discount rate for scheme liabilities	5.1	5.30
Inflation assumption (CPI)	2.8	2.90

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

	2024	<i>2023</i>
	Years	Years
<i>Retiring today</i>		
Males	20.7	20.7
Females	23.3	23.2
<i>Retiring in 20 years</i>		
Males	22.0	22.0
Females	24.7	24.6

Sensitivity analysis

	2024	<i>2023</i>
	£000	£000
Discount rate +0.1%	(412)	(335)
Discount rate -0.1%	424	344
Mortality assumption - 1 year increase	616	508
Mortality assumption - 1 year decrease	(599)	(476)
CPI rate +0.1%	400	324
CPI rate -0.1%	(388)	(313)

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27. Pension commitments (continued)

Share of scheme assets

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

	At 31 August	<i>At 31 August</i>
	2024	<i>2023</i>
	£000	<i>£000</i>
Equities	12,926	<i>11,563</i>
Gilts	1,581	<i>107</i>
Corporate bonds	3,289	<i>2,515</i>
Property	2,093	<i>1,835</i>
Cash and other liquid assets	550	<i>191</i>
Investment funds	1,147	<i>1,306</i>
Infrastructure	1,055	<i>690</i>
Total market value of assets	22,641	<i>18,207</i>

The actual return on scheme assets was £1,422,000 (2023 - £(51,000)).

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

	2024	<i>2023</i>
	£000	<i>£000</i>
Current service cost	(944)	<i>(949)</i>
Interest income	1,010	<i>705</i>
Interest cost	(940)	<i>(757)</i>
Administrative expenses	(17)	<i>(11)</i>
Transfer in on conversion	131	<i>(127)</i>
Total amount recognised in the Statement of Financial Activities	(760)	<i>(1,139)</i>

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Notes to the Financial Statements
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27. Pension commitments (continued)

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

	2024	<i>2023</i>
	£000	<i>£000</i>
At 1 September	18,207	<i>16,696</i>
Transferred in on conversion	1,816	<i>2,502</i>
Current service cost	944	<i>949</i>
Interest cost	940	<i>757</i>
Employee contributions	327	<i>228</i>
Actuarial losses/(gains)	889	<i>(2,660)</i>
Benefits paid	(482)	<i>(201)</i>
Losses on curtailments	-	<i>6</i>
Effects of non-routine settlements	-	<i>(70)</i>
At 31 August	<u>22,641</u>	<u><i>18,207</i></u>

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

	2024	<i>2023</i>
	£000	<i>£000</i>
At 1 September	18,207	<i>15,140</i>
Transferred in on conversion	1,947	<i>2,375</i>
Interest income	1,010	<i>705</i>
Actuarial gains/(losses)	412	<i>(816)</i>
Employer contributions	1,237	<i>850</i>
Employee contributions	327	<i>228</i>
Benefits paid	(482)	<i>(201)</i>
Effects of non-routine settlements	-	<i>(63)</i>
Administrative expenses	(17)	<i>(11)</i>
At 31 August	<u>22,641</u>	<u><i>18,207</i></u>

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Notes to the Financial Statements
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28. Long-term commitments, including operating leases

a. Operating leases

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

	2024	<i>2023</i>
	£000	<i>£000</i>
Amounts due within one year	42	41
Amounts due between one and five years	32	25
	<u>74</u>	<u>66</u>

b. Other contractual commitments

At 31 August 2024 the total of the academy trust's future minimum lease payments under other contractual commitments was:

	2024	<i>2023</i>
	£000	<i>£000</i>
Amounts due within one year	245	232
Amounts due between one and five years	979	930
Amounts due after five years	1,958	2,093
	<u>3,182</u>	<u>3,255</u>

The other contractual commitments represent the committed amounts under Private Finance Initiative (PFI) for the academy trust's PFI school, Royal Harbour Academy.

PFI service costs incurred by the academy trust are disclosed within support costs in note 9.

29. Members' liability

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

30. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2024 the trust received £61k (2023 - £60k) and disbursed £57k (2023 - £53k) from the fund. As at 31 August 2024, the cumulative unspent 16-19 bursary fund is £22k (2023 - £18k), of which £5k (2023 - £Nil) relates to undistributed funds that is repayable to ESFA.

31. Controlling party

The academy trust is run by the senior management team on a day to day basis. Strategic decisions are made by the trustees. There is no ultimate controlling party although since the academy trust only had three members at the year end, as listed on page 1, each with 33.33% of the voting rights, these individuals are deemed to be persons of significant control.

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Notes to the Financial Statements
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32. Conversion to academy status

On 1 July 2024 Newington Community Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Coastal Academies Trust from Kent County Council for £NIL consideration.

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

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
Freehold land and buildings	-	-	13,765	13,765
Other tangible fixed assets	-	-	220	220
Current assets				
Cash - representing budget surplus on LA funds	450	-	-	450
Accrued income	-	100	-	100
Non-current liabilities				
LGPS pension balance	-	131	-	131
Net assets	<u>450</u>	<u>231</u>	<u>13,985</u>	<u>14,666</u>

33. Related party transactions

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

No related party transactions took place during the year.