

Company registration number 08740234 (England and Wales)

CATCOTE FUTURES
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

CATCOTE FUTURES

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CATCOTE FUTURES

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Hartlepool Aspire Trust

Trustees

G Jones (Chair)
G Jones
L J Greig (Accounting Officer)
C Rowntree
M Jackson

Senior management team

- CEO L Greig
- Head of College B Currell

Company secretary

L Robson

Company registration number

08740234 (England and Wales)

Registered office

c/o Hartlepool Aspire Trust
Catcote Academy
Catcote Road
Hartlepool
TS25 4EZ
United Kingdom

Independent auditor

Azets Audit Services
Wynyard Park House
Wynyard Avenue
Wynyard
TS22 5TB
United Kingdom

Bankers

Lloyds Bank plc
132 York Road
Hartlepool
TS26 9DD
United Kingdom

Solicitors

Womble Bond Dickinson
Camden House
Princes Wharf
Teesdale
Stockton-On-Tees
TS17 6QY
United Kingdom

CATCOTE FUTURES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Catcote Futures is an educational resource for students age 19 and beyond and provides learning opportunities for adults with disabilities in Hartlepool and the surrounding areas. Catcote Futures is a wholly owned subsidiary of Hartlepool Aspire Trust and is a SPI (Specialist Post 16 Institution) for post 19 education.

During 2021/22 Catcote Futures accommodated 94 students.

Structure, governance and management

Constitution

Catcote Futures is a company limited by guarantee and an exempt charity and is a wholly-owned subsidiary company of Hartlepool Aspire Trust. The charitable company's memorandum and articles of association are the primary governing documents of the Company.

The trustees of Catcote Futures are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

The sole member of the charitable company (Hartlepool Aspire Trust) undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

Subject to the provision of the Companies Act 2006 and Article 6.3 every Director or other officer or auditor of the Trust is indemnified out of the assets of the Trust against any liability incurred by him/her in that capacity.

Method of recruitment and appointment or election of trustees

Trustees are appointed or elected in accordance with the Articles of Association. Appointment of additional Trustees, or replacement of Trustees who resign their post, is by the Member. The Trustees also have the right to co-opt additional Trustees with the written consent of the Member.

Policies and procedures adopted for the induction and training of trustees

The Trust contracts Stockton Borough Council to carry out Governance Officer duties. This includes a comprehensive training package. In addition, Trustees receive an induction pack including a guide to the responsibilities of a multi-academy trustee. Online training and regular face to face training is also available.

Organisational structure

The Member is responsible for ensuring that the ethos of the organisation is preserved and holding the Trustees to account for the performance of the Company.

The Board of Trustees is responsible for the management of the Company by establishing a policy framework for the management teams to follow, monitor implementation of the policies and take corrective action if the policies are not being implemented to an appropriate standard.

Hartlepool Aspire Trust have established three committees to which oversight of finance, health and safety, the quality of education and staffing matters for the Trust as a whole, including Catcote Futures, are delegated, this being the Finance and Audit Committee, the Standards Committee and the Staffing Committee. The committee membership is made up of Trustees of Hartlepool Aspire Trust and Catcote Futures.

CATCOTE FUTURES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Board, described above, provide strategic direction (in the form of policies) and oversight to the organisations within the Trust. Responsibilities are delegated to the Chief Executive Officer (CEO) of Hartlepool Aspire Trust as assigned under the job description and also include:

- implementing the agreed policies and procedures laid down by Hartlepool Aspire Trust and the Trustees of Catcote Futures including the implementation of all statutory regulations and provisions within the Education Acts
- advising the Trustees on strategic direction, forward planning and quality assurance
- the leadership and management of the Company, and line management of all members of the management teams
- as Accounting Officer for Hartlepool Aspire Trust, overall accountability and management of the Trust budget
- advising Hartlepool Aspire Trust on the appointment of all Leadership posts across the Trust
- delegation of responsibility up to and including dismissal for all staff employed in Trust organisations
- the admission of students
- managing the delegated budget and resources
- the maintenance of good order and discipline by the students

The Company has its own management team that is responsible for implementation of the policies set out by Board, monitoring their effectiveness and reporting back to the Board on the benefits realised or issues encountered. The CEO of Hartlepool Aspire Trust has overall responsibility for the Company within the policy framework, aided by the Head of College during 2021/22. The Head of Corporate Services of the Trust is responsible for the implementation of the Finance, Health and Safety and Human Resource policies on behalf of the CEO and is the Principle Finance Officer for Hartlepool Aspire Trust.

Arrangements for setting pay and remuneration of key management personnel

The Trust assigns a seven point pay scale i.e. an Individual School Range (ISR) for the Chief Executive Officer (CEO). This is based on the school group size and any permanent additional relevant factors as determined within the framework of the School Teachers' Pay and Conditions document. These additional factors will relate to the Trust context and challenge, and the wider accountability of the CEO including Catcote Futures. The Trust will ensure that, other than in exceptional circumstances, there is no overlap of salary ranges between the CEO and other leadership posts.

Progression on the ISR for the CEO will be subject to a review of the CEO's performance set against the annual appraisal review. A committee consisting of an external consultant, the Chair of Trustees of Hartlepool Aspire Trust and a member of the Staffing Committee carry out the appraisal review of the CEO and recommend any increments to the Trustees for approval.

The Trust determines a 5 point pay range for all other leadership posts from within the indicative pay points for the leadership scale contained in the School Teachers' Pay and Conditions Document. The relevant leadership range will be established and the range for individual posts will be determined according to the duties and responsibilities of the post. Progression on the pay range for a member of staff paid on the leadership scale will be subject to a review of their performance set against the annual appraisal review. The CEO will appraise leadership posts and recommend any increments to the Staffing Committee for approval.

CATCOTE FUTURES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

-

Full-time equivalent employee number

41.00

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

1,239,000

Percentage of the total pay bill spent on facility time

-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours

-

Related parties and other connected charities and organisations

Catcote Futures does not work in a federation with any other organisation but is developing relationships with other schools and colleges and other businesses where these partnerships assist in the achievement of Company objectives. Catcote Futures is a wholly owned subsidiary of Hartlepool Aspire Trust and Catcote Academy is also part of this Trust. The Academy provides management and administrative resource to support Catcote Futures, and also use of some specialist facilities. Catcote Academy charges Catcote Futures a management and resource charge calculated on a cost basis for this service, whilst Catcote Futures also charges the Academy for any use of their resources, at cost.

Objectives and activities

Objects and aims

Catcote Futures is an educational establishment which provides education and learning opportunities for learners with a range of special needs.

The management system for Catcote Futures is based around a high level vision and mission for the organisation along with strategic objectives that set out requirements that must be met in order to achieve the vision. Policies and procedures, and its management structure, also ensure that the Company is managed in line with the strategic objectives and statutory requirements.

The vision of Catcote Futures is "to be an innovative centre of excellence, providing outstanding, personalised education for all students". Catcote Futures aims to provide the best quality education services for all learners, irrespective of age or disability.

This vision is supported by a more detailed mission statement in order to help members of the organisation relate to their contribution to achieving the overall vision of the organisation and hence provide a public benefit. The mission of the Trust is to "provide an environment where students are offered every opportunity to maximise their potential, grow in confidence, and above all, be happy and safe – 'your choice, your future'

CATCOTE FUTURES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

In setting objectives Hartlepool Aspire Trust Trustees have given careful consideration to providing public benefit and strategic objectives are thus in place to support the achievement of the vision. The resource continues to adopt the overall objectives of the parent Trust in order to provide excellent education services to student with special needs:

Effective Governance and Oversight

Ensure that we can demonstrate to our stakeholders that Catcote Futures provides the best quality services to learners and provides value for money to tax payers.

Engaged and well qualified workforce

Ensure that personnel working with our learners are suitably qualified and appropriate for working with vulnerable people. We will encourage continuous development of staff and will engage staff in the development of the organisation.

Excellence in Education Services for all our Learners

Provide a stimulating and exciting learning environment for all, promote lifelong learning, recognise value and reward the achievement of each individual, develop responsibility, tolerance and consideration for others, strengthen the bond between college, home, education partners and the community.

Maximise the personal development, behaviour and welfare of students and ensure the safety of all students, staff and visitors

Create an environment in which barriers to learning are minimised and ensure that our staff, students and visitors experience risk free surroundings

Financial Stability

The financial position of the organisation must be managed carefully to ensure that the services provided by the Trust are sustainable

High Quality Educational Facilities

The learning environment provided for students is important to help them maximise their potential. The educational facilities and accommodation will be managed carefully to provide a safe, stimulating learning environment and minimise the risk of disruption to educational services as a result of failure of equipment or facilities

Objectives, strategies and activities

To meet the College's strategic aims, the following objectives were employed for the academic year:

Effective governance and oversight:

Restructure provision to incorporate a 'phases of learning' timeline for learners

Create predictive modelling tool and liaise with the Local Authority, and other funders, to plan for future growth

Engaged and well qualified workforce:

Ensure quality of staff is maintained through CPD programme that supports succession planning

Excellence in education services for all learners:

Identify alternative programmes to replace accredited learning where appropriate

Maximise personal development, behaviour and welfare of students and ensure the safety of all students, staff and visitors:

Embed CIAG across all pathways and work towards Gatsby standards

Increase the number of opportunities for learners to access specialist areas / therapies

Embed the use of CASS (Consistent Approach to Supporting Students) to support 'readiness to learn'

Financial Stability:

Attract alternative sources of funding

High Quality Educational Facilities:

Review outdoor spaces to ensure access for all learners and needs

CATCOTE FUTURES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit as set out by the Charity Commission whilst exercising their powers and duties. The activities of the organisation are driven by the vision to be an outstanding provider of education and for students to be offered every opportunity to maximise their potential and grow in confidence. All objectives aim to support this vision and therefore providing public benefit is embedded in the goals of the organisation.

The Trustees have carefully considered the Charity Commission's general guidance on public benefit when objectives have been set and activities planned.

Strategic report

Achievements and performance

The learning journey was reviewed in order to provide clarity regarding placement decisions when operating at full capacity. A new 3 phase learning journey to develop, embed and apply skills has been introduced. The phases will also ensure learning objectives are conducive to the stage of learning. Those in phases 2 and 3, funded solely by health and care personal budgets, will be regarded as being part of 'Catcote Aspire', a phase of Catcote Futures. A new Placement Policy has been introduced for these learners to provide information on the placement criteria with priority being given to ESFA funded learners in phase 1.

Following a more comprehensive understanding of potential future growth in each cohort, the board of trustees supported the College's approach to liaise with the Local Authority to enable a review of the town wide offer for adults with SEND, with a vision for the provision of adult SEN learners being agreed. This partnership will not only consider the capacity of Catcote Futures to meet the need of this cohort, but also look to improve the offer town wide. This will ultimately provide more flexibility and choice for these learners.

The board of Trustees welcomed the inspection by OFSTED during the year and the outcome that the College was Good with several Outstanding features. Furthermore, the board note the good progress made by learners despite the impact of Covid-19 on their learning opportunities and whilst some targets surrounding health and well being were not achieved as a result, the board are confident that this will improve next year.

Following the pandemic, recruitment of high quality staff has been impaired. The College has experienced difficulties in recruiting for vacant positions. In order to ensure a body of suitably skilled staff is maintained, the College management team have identified potential leaders and teachers to support growth and fill vacancies. To this end, staff have successfully taken part in leadership and teacher training and staff have also been identified to mentor Early Career Teachers, with a suitable training package being devised.

After much research into the benefits of non-accredited courses for some learners, RARPA (recognising and recording progress and achievement) has been piloted this year. RARPA is especially valuable for measuring learner progress and demonstrating outcomes, for young people with learning difficulties and/or disabilities for whom it is necessary to follow highly personalised programmes that are not linked to qualifications.

A dedicated careers advisor has been identified for those learners not on the STEPS programme. This has resulted in good progress towards meeting Gatsby standards and accessing Work Related Learning. In addition, a further four local employers have agreed to work in partnership with the College to offer bespoke training packages, with learners having the opportunity to carry out various roles within these partner organisations which will enable them to make informed choices about their employability pathways.

Following an investment in rebound equipment and training, the offer of therapies across the curriculum has increased. Alongside the introduction of rebound therapy, speech and language therapy, and particularly the use of VOCA (Voice Output Communication Aids) has improved. In order to further improve access to therapies, grant funding has been sought to replace the obsolete hydrotherapy pool and create an improved area for life skills activities. It is expected that this projected will be completed next year and will provide many benefits to all learners, in particular those with complex physical needs. The new pool will also be more energy efficient.

CATCOTE FUTURES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

All learners now have CASS (Consistent Approach to Supporting Students) plans resulting in the curriculum and pedagogy being more aligned to meet the needs of learners.

Investment in outdoor spaces has ensured that these are more accessible for ASC learners. Furthermore, a forest school area has been completed with staff training in outdoor learning completed. The College also invested in significant repairs to the fabric of the building to ensure a good learning environment is maintained.

Key performance indicators

Finance:

Performance against a financial budget for the period September 2021 to August 2022 has been monitored and performance reported to Trustees and Finance & Audit Committee throughout the year.

During the academic year 2021/22 income is in line with budgeted expectations, with Covid related grants proving some additional income. The resulting surplus is largely in line with budget with increasing utility and refurbishment costs being negated by some plans being placed on hold due to the pandemic and also a reduction in the Management and Resource Charge to the parent Company (Catcote Academy) due to unfulfilled staff vacancies at the Trust.

Reserves remain above the level dictated by the Trust's reserve policy and the majority of reserves above this level have been committed to identified improvements during the coming year.

Teaching and Learning:

Using the key indicators of lesson observations, learning walks, learner progress discussions, accreditation results and progress towards outcome targets, the overall rating for the quality of teaching and learning was at least good for 100% of teachers and outstanding for 40%.

The recent Ofsted inspection judged that the College was Good, with 'Personal Development' and 'Behaviour and Attitude' being identified as Outstanding.

Progress of students:

Over all, attainment has been very good with learners achieving 94% of planned accreditation (and 6% of these learners achieving higher than their intended targets).

Progress towards outcome targets was also very strong despite the COVID pandemic and resulting restrictions. Learners from both the 'Sensory Explorers' and 'Aiming High' pathways achieved 100% success in meeting their outcome targets in all areas. 100% of learners from the 'Taking the Lead' pathway met or exceeded their targets in 5 areas with 87.5% achieving or exceeding their targets in all 6 areas. 100% of learners in the 'Reaching Out' pathway achieved their targets with 33% exceeding in 5 areas and 66% exceeding in the area of 'Independent Living'.

80% of learners from the 'STEP's' pathway met outcome targets for 'Education and Employment' including 60% who exceeded. 20% of learners did not meet their intended targets and this was due to COVID restrictions affecting their work placements. The strands of 'Independent Living' and 'Friends, Relationships and Community' saw 90% of 'STEP's' learners meeting, with 85% exceeding, targets. 75% of 'STEP's' learners met their targets for 'Good Health' with 25% exceeding.

Student Numbers:

Students on roll during the last 3 years:

2019/20 80 (of which 55 are Catcote Aspire*)

2020/21 91 (of which 58 are Catcote Aspire)

2021/22 94 (of which 71 are Catcote Aspire)

*Cadcote Aspire Learners are not funded by the ESFA

Safety Performance:

The number of reported accidents/incidents involving staff and students for the period 1 September 2021 to 31 August 2022 was 7 (3 Staff, 4 students). This is a decrease compared to the previous year. The majority of staff incidents are related to minor injuries to staff managing challenging behaviour of a small number of students. There were no RIDDOR incidents during this time period and all statutory health & safety checks were performed with no significant risks being identified.

CATCOTE FUTURES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Premises:

There was one unplanned closure of 2 days due to flooding. All regular maintenance and inspections took place during the planned period.

Going concern

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

Financial review

The organisations principal source of funding includes that received from the ESFA and Local Authority for the provision of high needs adult education. Funding is also received from social care, direct payments and health. Social care and health funding enable students with special needs to access educational programmes. The vast majority of the funding received facilitates the employment of staff and maintenance of the premises to enable the provision of educational services to learners with special needs. Income is generated from a combination of learners between the ages of 19 to 25 and also lifelong learners.

Spending was affected in year due to the effects of inflation, primarily being food costs and utilities, and the health and social care levy applied to salaries. However, the Government's decision to not award a pay increase to teachers and leaders reduced the effect. Furthermore a sizeable amount was spent on essential roof repairs and re-modelling the existing building to meet the needs of a growing student population.

Following the pandemic, the College and its parent whom charges for use of central services staff, alongside other companies nationally, have had difficulty in recruiting to fill some staff vacancies. In addition, the College was not able to complete all the plans it had scheduled for the year due to the exceptional amount of resource required to manage the pandemic in terms of staff and student absences and minimising risks in line with Government advice and requirements.

The in year surplus for 2021/22 was £87,299 (bal to change in restricted/unrest fund exc pension). The resulting reserves balance is £279,160 (exc. fixed asset and pension reserve).

Whilst the Trustees support the national pay settlements to support staff during a time of significant inflation, there is concern regarding the effect on the financial position of the College. Therefore, a review of costs and the fees charged will be necessary to manage the impact of these changes.

Reserves policy

Our reserves policy recognises the requirement of the organisation not to borrow funds and the risk this represents to financial planning. Effective management of reserves is key to mitigating this risk in order to provide alternative funding streams if required in the event of a delay in the receipt of funding or an unforeseen increase in expenditure. The level of required reserves is therefore set at the equivalent of 4 weeks expenditure.

The value of free i.e. unrestricted reserves at the end of the academic year 2021/22 is £111,012 and restricted reserves are £168,148.

During 2022/23 funds have been committed to improve and refurbish facilities. It is acknowledged that, although reserves remain above minimum levels required, they must be maintained to ensure facilities and resources can be maintained in the medium term. Alongside a new pricing model (to reflect cost drivers and inflationary pressures), grant funding is also being sought to enable plans to be met.

The College will continue to manage its use of reserves to benefit current learners whilst also considering its financial sustainability.

Investment policy

The Treasury Management Policy sets out how the organisation's cash flows, banking and investment transactions are to be managed. Its objectives are to maintain sufficient cash balances to meet daily commitments and invest surplus cash to earn an acceptable rate without undue risk. Cash balances are currently held in a notice account held by the banks Treasury team.

CATCOTE FUTURES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Principal risks and uncertainties

A risk register for the Trust describes the major risks to which the College is exposed, identifies the probability of their occurrence and the impact should the events actually occur. Actions are identified to reduce the probability and/or impact of each event and allocated to mitigation owners to ensure implementation.

High risk areas are related to the Covid-19 pandemic, capacity and income. Due to the pandemic the risk of not being able to remain open (in part or full) due to excessive staff absences remained high. A comprehensive risk assessment was regularly reviewed in order to minimise the risk of contracting the disease at work. A remote learning policy and resources was in place. In addition, whilst not used previously, discussions with local employment agencies took place in order cover excessive absence.

Oversubscription resulting in overcrowding remained a risk and a review of the provision resulted in a three-phased learning journey being introduced, with an associated Placement Policy. This will provide clarity on priority to places when the College is at full capacity. In addition, a review of the town wide offer for opportunities for adult learners with SEN commenced, in partnership with the Local Authority. This review will continue next year. It is expected that good quality provision within the town for lifelong learners with SEN would complement that provided at the College.

A new costing model takes account of funds necessary to meet medium term plans and also simplifies the fees charged, resulting in funders being able to approve fees more easily. The risk of significant increases in costs due to inflationary pressures and anticipated pay increases for support staff (NJC) and teachers is of concern. To this end, the Trust has suspended some vacant positions whilst the financial impact is assessed. This will reduce the Management & Resource charge the College pay to the Trust.

Fundraising

Fundraising carried out by the organisation must be approved by the Senior Leadership Team (SLT) following an application setting out the means and purpose of the fundraising and any literature/promotion that will be issued to the public. The SLT may approve fundraising that is for the purpose of achieving the charitable aims of the Trust and is in line with any relevant legislation and standards. It must also ensure that all literature issued, and the means of fundraising, is sensitive to the Trusts ethos and is compliant with relevant laws such as GDPR and protection of vulnerable adults and children etc. Fundraising activities are reported to the Trust's Finance & Audit Committee on a termly basis and any complaints are also reported to them.

Funding this academic year has been limited to small scale events and no complaints have been received.

Plans for future periods

Following continued growth of the College, and the introduction of the three phases of the learners journey, the College will embark on a review of all staffing structures to ensure they take regard of the size of the College, needs of learners and ensure it can meet its 3 year strategic plans. This will include a review of support systems, lines of management and appraisal systems for curriculum support staff.

The College will continue to work in partnership with the Local Authority to understand gaps in the town wide offer for learning opportunities for adults with SEN, with the aim to have an excellent, cohesive approach to this offer. In addition, a partnership with the towns general FE provision will be explored in order establish how both organisations can support the FE provision for Hartlepool and work collaboratively.

A review of the entire induction programme will look to ensure, not only that every staff member continues to receive a high quality introduction to the College and their responsibilities, but also that they receive a dedicated programme of specific special needs training that is relevant to their area of work and to the current cohort of learners. The 2-year training programme for ECT's (Early Career Teachers) will also be reviewed.

To ensure a robust quality assurance framework, a co-authored approach to 'Area 360' (deep dives) will be introduced. There will be further integration of English and maths across the curriculum, evidenced using tracking software.

An audit will be conducted to assess the efficiency of College buildings with regards to utility usage. A plan to improve said efficiency will follow.

CATCOTE FUTURES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Following on from the work carried out this year, improved key financial metrics and benchmarking will be implemented. In addition, a new system will be employed to aid policy review and accessibility and monitor strategic compliance. The College will continue to seek alternative forms of funding, in particular from grants, for relevant projects and will aim to introduce a more structured approach to this process.

Funds held as custodian trustee on behalf of others

There are no funds held as custodian trustee on behalf of others.

Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 09/12/2022 and signed on its behalf by:



.....
G Jones

Chair

CATCOTE FUTURES

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

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

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

The Hartlepool Aspire Trust (HAT) Board of Trustees, which is the sole member of Catcote Futures, has delegated the day-to-day responsibility to the CEO of Catcote Academy for ensuring financial controls conform with the requirements of both propriety and good financial management. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met three times during the year. Attendance during the year at meetings of the board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
G Jones (Chair)	3	3
G Jones	3	3
L J Greig (Accounting Officer)	2	3
C Rowntree	3	3
M Jackson	3	3

A skills audit is undertaken each year and this has not identified any issues during 2021/22 period, a further skills audit will be undertaken during 2022/23, this will ensure that new trustees have developed as well as identifying any further areas that require strengthening.

A self-evaluation of the Board was agreed in the summer term meeting, the outcome of this will be fed back to Trustees at the December 2022 meeting. Any actions from this will be identified and actioned for 2022/23. The National Governors Association model was used to undertake this process which is based on the 21 questions of self-review for Multi Academy Trusts.

Trustees will commission an external review of governance following the outcome of the self-review. This will be arranged during 2022/23.

There has been no changes to the structure or membership of the Trustees during the year.

It is essential the College effectively manage any conflicts of interest, within the College and in its relationship with its parent company Catcote Academy (Hartlepool Aspire Trust). A complete and up-to-date register of interests is maintained by for all Trustees and key personnel. All relevant staff (including the staff at the Academy who support the College) are aware of the requirements in managing any identified conflicts including related party purchases and the effects on the scheme of delegation. In particular, the Academy Trust has some declared family relationships that require additional controls and procedures to be in place. The Trust and the College are transparent regarding these relationships with all relevant stakeholders and the Board of Trustees are implicit in the oversight of this conflict of interest.

A comprehensive induction pack is provided to new trustees. The Trust subscribes to an online support for Trustees as well as an E-learning platform. The new governance support package gives opportunity for regular instructor led training and updates.

CATCOTE FUTURES

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Three committees, Finance & Audit, Staffing and Standards Committee, are provided with comprehensive information regarding the activities of the Trust and how it meets its goals and statutory obligations. Each committee meets 3 times per year and challenge decision making across these three areas. The committees also ensure that there is a trustee from Catcote Futures on each of the committees, to ensure that there is openness and transparency as well as full participation. The structure works well and key trustees feed back into Board meetings on decision making and monitoring and provide recommendations to the Board of Trustees. Some Trustees have individual responsibility for areas, such as Safeguarding, and regular monitoring is undertaken and fed back to the Board. The Board reviews this structure each year as and appoints a Chair and Vice Chair of the Board and subsequent committees.

The Finance and Audit Committee is a sub-committee of the main Board of Trustees of Hartlepool Aspire Trust. Its purpose is to ensure sound financial management of the Trust's resources including proper planning, monitoring and probity. Also, to advise on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for risk management, control and governance processes and securing economy, efficiency and effectiveness (value for money). The committee considers this for both the academy Trust and its subsidiary SPI, Catcote Futures.

During the year the committee met formally three times with financial updates and other relevant information issued regularly to its members. This committee has reviewed/approved independent compliance audit reports and subsequent recommendations, received and discussed budget monitoring reports, monitored the progress of the implementation of the risk register, been advised of revised financial procedures and non-routine expenditure, approved expenditure in line with the Finance Policy and received regular health, safety and building reports.

Attendance at meetings in the year was as follows:

<u>Trustees/Governors</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Dr G Jones (Chair)	3	3
Mr P Hewitson	3	3
Mrs G Fletcher	1	3
Mr B Duncan	2	3

Review of value for money

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

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

CATCOTE FUTURES

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Accounting Officer for the Trust has delivered improved value for money by reviewing the learning journey in order to restructure the provision to ensure learners progression into adulthood is matched by an appropriate curriculum. A three-phase learning journey was introduced to develop, embed and then apply the skills that have been learnt, with consideration for those in phase 3 to also 'live their best adult life'. The College is also participating in town-wide discussions to enrich the adult lives of those with SEN.

The RARPA (Recognising and Recording Progress and Achievement) process has been introduced with a consideration to 'begin with the end in mind'. This provides a clear focus on the intent of the curriculum and the knowledge and skills that learners need to develop over their entire learning journey at Catcote Futures to live happy and healthy independent lives. The successful pilot of the RARPA programme has significantly affected curriculum development and study programmes. The personalised RARPA programmes ensure sequential implementation of the curriculum and has greatly improved formative assessment leading to more informed learning programmes and purposeful assessment information. Further implementation of these bespoke programmes will enable teachers to better meet learners' targets and allow a more focused curriculum aligned to the learners needs and aspirations.

Consistent Approach to Supporting Students (CASS) has been a focus across the Trust in order to ensure that there is a common language regarding student's emotions and behaviours that every student and staff member understands. This involves 'zones of regulations' and the use of consistent signs and symbols. This has improved students 'readiness to learn'.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the organisation's 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 throughout the period 1st September 2021 to 31st August 2022.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the organisation is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place throughout the period 1st September 2021 to 31st August 2022. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Trust's Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from Clive Owen LLP. The FRC Ethical Standard for auditors states that a firm providing external audit to an entity shall not also provide audit services to it. To this end, the provision of internal audit function and external audit was provided by separate companies.

The external auditor's role includes giving advice on financial and other matters and performing a range of checks on the organisation's financial and other systems. In particular, the checks carried out in the current period include regularity, risk register, payroll, purchases, income, accounting systems, income, information technology, fixed assets, VAT.

CATCOTE FUTURES

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

On a termly basis, the auditor reports to the Board of Trustees, through the Trust's Finance and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. No high risk areas were identified during the year and remedial action has taken place for all low risk areas identified.

Review of effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the organisation and Trust who have responsibility for the development and maintenance of the internal control framework
- correspondence from ESFA e.g. FNTI/NtI and 'minded to' letters

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Trust's Finance & Audit Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 09/12/2022 and signed on its behalf by:



G Jones
Chair



L J Greig
Accounting Officer

CATCOTE FUTURES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of Catcote Futures for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 09/12/2022 and signed on its behalf by:



G Jones
Chair

CATCOTE FUTURES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATCOTE FUTURES FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Catcote Futures for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

CATCOTE FUTURES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATCOTE FUTURES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

CATCOTE FUTURES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATCOTE FUTURES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

CATCOTE FUTURES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CATCOTE FUTURES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Use of our report

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



Angela Ingham FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

20/12/2022

Chartered Accountants
Statutory Auditor

Wynyard Park House
Wynyard Avenue
Wynyard
United Kingdom
TS22 5TB

CATCOTE FUTURES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds	Restricted funds:		Total 2022	Total 2021
	Notes	£	General £	Fixed asset £	£	£
Income and endowments from:						
Donations and capital grants	2	235	1,950	26,180	28,365	7,332
Charitable activities:						
- Funding for educational operations	3	66,506	1,643,629	-	1,710,135	1,527,830
Other trading activities	4	16,645	-	-	16,645	7,329
Investments	5	35	-	-	35	20
Total		83,421	1,645,579	26,180	1,755,180	1,542,511
Expenditure on:						
Raising funds	6	2,654	-	-	2,654	5,331
Charitable activities:						
- Educational operations	7	66,506	1,547,729	22,220	1,636,455	1,468,262
Total	6	69,160	1,547,729	22,220	1,639,109	1,473,593
Net income		14,261	97,850	3,960	116,071	68,918
Transfers between funds	15	-	(24,812)	24,812	-	-
Reconciliation of funds						
Total funds brought forward		96,751	95,110	409,937	601,798	532,880
Total funds carried forward		111,012	168,148	438,709	717,869	601,798

CATCOTE FUTURES

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2021		funds	General	Fixed asset	2021
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	2	-	-	7,332	7,332
Charitable activities:					
- Funding for educational operations	3	28,351	1,499,479	-	1,527,830
Other trading activities	4	7,329	-	-	7,329
Investments	5	20	-	-	20
Total		35,700	1,499,479	7,332	1,542,511
Expenditure on:					
Raising funds	6	5,331	-	-	5,331
Charitable activities:					
- Educational operations	7	28,352	1,414,636	25,274	1,468,262
Total	6	33,683	1,414,636	25,274	1,473,593
Net income/(expenditure)		2,017	84,843	(17,942)	68,918
Transfers between funds	15	(21,699)	(30,000)	51,699	-
Reconciliation of funds					
Total funds brought forward		116,433	40,267	376,180	532,880
Total funds carried forward		96,751	95,110	409,937	601,798

CATCOTE FUTURES

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		438,709		409,937
Current assets					
Debtors	12	42,053		144,598	
Cash at bank and in hand		659,810		257,468	
		<u>701,863</u>		<u>402,066</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(422,703)		(210,205)	
Net current assets			279,160		191,861
Net assets			<u>717,869</u>		<u>601,798</u>
Funds of the charitable company:					
Restricted funds	15				
- Fixed asset funds			438,709		409,937
- Restricted income funds			168,148		95,110
Total restricted funds			<u>606,857</u>		<u>505,047</u>
Unrestricted income funds	15		111,012		96,751
Total funds			<u>717,869</u>		<u>601,798</u>

The accounts on pages 20 to 35 were approved by the trustees and authorised for issue on 09/12/2022 and are signed on their behalf by:


G Jones
Chair

Company registration number 08740234

CATCOTE FUTURES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by operating activities	17		427,119		36,475
Cash flows from investing activities					
Dividends, interest and rents from investments		35		20	
Capital grants from DfE Group		26,180		7,332	
Purchase of tangible fixed assets		(50,992)		(59,031)	
Net cash used in investing activities			(24,777)		(51,679)
Net increase/(decrease) in cash and cash equivalents in the reporting period			402,342		(15,204)
Cash and cash equivalents at beginning of the year			257,468		272,672
Cash and cash equivalents at end of the year			659,810		257,468

CATCOTE FUTURES

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

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the charitable company, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

All incoming resources are recognised when the charitable company 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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

Sponsorship income

Sponsorship income provided to the charitable company which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

CATCOTE FUTURES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Donated goods, facilities and services

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the charitable company's accounting policies.

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the charitable company 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 charitable company's educational operations, including support costs and costs relating to the governance of the charitable company apportioned to charitable activities.

1.5 Tangible fixed assets and depreciation

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

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

CATCOTE FUTURES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

Leasehold improvements	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	7 years
Motor vehicles	5 years

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

1.6 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 charitable company 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.

1.7 Leased assets

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

1.8 Financial instruments

The charitable company only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charitable company and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

1.9 Taxation

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

1.10 Fund accounting

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

CATCOTE FUTURES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Local Authority.

1.11 Agency arrangements

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

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Capital grants	-	26,180	26,180	7,332
Other donations	235	1,950	2,185	-
	<u>235</u>	<u>28,130</u>	<u>28,365</u>	<u>7,332</u>

3 Funding for the charitable company's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
Other DfE/ESFA grants:				
- Others	-	-	-	18,432
	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,432</u>
Other government grants				
Local authority grants	-	1,643,129	1,643,129	1,459,870
	<u>-</u>	<u>1,643,129</u>	<u>1,643,129</u>	<u>1,459,870</u>
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	500	500	5,970
Non-DfE/ESFA				
Coronavirus job retention scheme grant	-	-	-	9,707
Other COVID-19 funding	-	-	-	5,500
	<u>-</u>	<u>500</u>	<u>500</u>	<u>21,177</u>
	<u>66,506</u>	<u>-</u>	<u>66,506</u>	<u>28,351</u>
Catering income				
	<u>66,506</u>	<u>-</u>	<u>66,506</u>	<u>28,351</u>
Total funding	<u>66,506</u>	<u>1,643,629</u>	<u>1,710,135</u>	<u>1,527,830</u>

CATCOTE FUTURES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Other income	16,645	-	16,645	7,329

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	35	-	35	20

6 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2022 £	Total 2021 £
Expenditure on raising funds					
- Direct costs	-	-	2,654	2,654	5,331
Academy's educational operations					
- Direct costs	1,079,447	-	166,555	1,246,002	1,093,708
- Allocated support costs	159,169	126,809	104,475	390,453	374,554
	1,238,616	126,809	273,684	1,639,109	1,473,593

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	3,500	2,950
- Other services	1,300	1,100
Operating lease rentals	26,695	30,355
Depreciation of tangible fixed assets	22,220	25,274

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	6	1,245,996	1,246,002	1,093,708
Support costs				
Educational operations	66,500	323,953	390,453	374,554
	66,506	1,569,949	1,636,455	1,468,262

CATCOTE FUTURES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

7 Charitable activities		(Continued)	
	2022	2021	
	£	£	
Analysis of support costs			
Support staff costs	159,169	157,683	
Depreciation	22,220	25,274	
Technology costs	16,071	17,810	
Premises costs	104,589	108,888	
Legal costs	-	850	
Other support costs	81,464	57,307	
Governance costs	6,940	6,742	
	<u>390,453</u>	<u>374,554</u>	

8 Staff

Staff costs

Staff costs during the year were:

	2022	2021	
	£	£	
Wages and salaries	973,603	765,753	
Social security costs	75,417	59,071	
Pension costs	189,596	154,576	
	<u>1,238,616</u>	<u>979,400</u>	
Staff costs - employees	1,238,616	979,400	
	<u>1,238,616</u>	<u>979,400</u>	
Staff development and other staff costs	6,467	4,079	
	<u>1,245,083</u>	<u>983,479</u>	

Salaries are wholly recharged from Hartlepool Aspire Trust, the parent company.

Staff numbers

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

	2022	2021	
	Number	Number	
Teachers	41	32	
Administration and support	6	7	
Management	1	1	
	<u>48</u>	<u>40</u>	

Higher paid staff

There were no employees whose annual remuneration was £60,000 or more.

CATCOTE FUTURES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

8 Staff

(Continued)

Key management personnel

The key management personnel of the charitable company comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the charitable company was £78,944 (2021: £76,764).

9 Trustees' remuneration and expenses

The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff members under their contracts of employment, and not in respect of their services as trustees. Other trustees did not receive any payments from the charitable company in respect of their role as trustees.

As all contracts of employment are with the parent company, Hartlepool Aspire Trust, trustees' remuneration is included in the financial statements of the parent company.

10 Trustees' and officers' insurance

In accordance with normal commercial practice, the charitable company has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on charitable company business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £229 (2021: £229). The cost of this insurance is included in the total insurance cost.

11 Tangible fixed assets

	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2021	374,616	49,715	109,743	33,200	567,274
Additions	40,000	-	10,992	-	50,992
Disposals	-	-	-	(18,200)	(18,200)
At 31 August 2022	414,616	49,715	120,735	15,000	600,066
Depreciation					
At 1 September 2021	24,002	49,715	50,420	33,200	157,337
On disposals	-	-	-	(18,200)	(18,200)
Charge for the year	7,493	-	14,727	-	22,220
At 31 August 2022	31,495	49,715	65,147	15,000	161,357
Net book value					
At 31 August 2022	383,121	-	55,588	-	438,709
At 31 August 2021	350,614	-	59,323	-	409,937

CATCOTE FUTURES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

12 Debtors

	2022 £	2021 £
Trade debtors	28,244	120,140
Amounts owed by group undertakings	-	1,050
VAT recoverable	6,577	6,789
Other debtors	44	700
Prepayments and accrued income	7,188	15,919
	<u>42,053</u>	<u>144,598</u>

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	5,447	9,555
Amounts owed to group undertakings	113,730	83,144
Other creditors	134,349	10,921
Accruals and deferred income	169,177	106,585
	<u>422,703</u>	<u>210,205</u>

14 Deferred income

	2022 £	2021 £
Deferred income is included within:		
Creditors due within one year	<u>53,291</u>	<u>47,516</u>
Deferred income at 1 September 2021	47,516	35,751
Released from previous years	(47,516)	(35,751)
Resources deferred in the year	<u>53,291</u>	<u>47,516</u>
Deferred income at 31 August 2022	<u>53,291</u>	<u>47,516</u>

At the balance sheet date the charitable organisation held funds in advance for Post 19 funding.

CATCOTE FUTURES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

15 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
Other DfE/ESFA COVID-19 funding	-	500	(500)	-	-
Other government grants	95,110	1,643,129	(1,547,229)	(24,812)	166,198
Other restricted funds	-	1,950	-	-	1,950
	<u>95,110</u>	<u>1,645,579</u>	<u>(1,547,729)</u>	<u>(24,812)</u>	<u>168,148</u>
Restricted fixed asset funds					
DfE group capital grants	7,332	26,180	(1,021)	-	32,491
Capital expenditure from GAG	402,605	-	(21,199)	24,812	406,218
	<u>409,937</u>	<u>26,180</u>	<u>(22,220)</u>	<u>24,812</u>	<u>438,709</u>
Total restricted funds	<u>505,047</u>	<u>1,671,759</u>	<u>(1,569,949)</u>	<u>-</u>	<u>606,857</u>
Unrestricted funds					
General funds	<u>96,751</u>	<u>83,421</u>	<u>(69,160)</u>	<u>-</u>	<u>111,012</u>
Total funds	<u>601,798</u>	<u>1,755,180</u>	<u>(1,639,109)</u>	<u>-</u>	<u>717,869</u>

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

Government grants comprise funding for post 19 educational, health and care income and out of borough income and are used for the normal running costs of the charitable company.

DfE/ESFA capital grants consist of a devolved capital grant of £26,180 which has been received and spent on buildings work capitalised in the year

Unrestricted funds can be used for any purpose at the discretion of the charitable company.

CATCOTE FUTURES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
Other DfE/ESFA COVID-19 funding	-	5,970	(5,970)	-	-
Coronavirus job retention scheme grant	-	9,707	(9,707)	-	-
Other Coronavirus funding	-	5,500	(5,500)	-	-
Other DfE/ESFA grants	-	18,432	(18,432)	-	-
Other government grants	40,267	1,459,870	(1,375,027)	(30,000)	95,110
	<u>40,267</u>	<u>1,499,479</u>	<u>(1,414,636)</u>	<u>(30,000)</u>	<u>95,110</u>
Restricted fixed asset funds					
DfE group capital grants	-	7,332	-	-	7,332
Capital expenditure from GAG	376,180	-	(25,274)	51,699	402,605
	<u>376,180</u>	<u>7,332</u>	<u>(25,274)</u>	<u>51,699</u>	<u>409,937</u>
Total restricted funds	<u>416,447</u>	<u>1,506,811</u>	<u>(1,439,910)</u>	<u>21,699</u>	<u>505,047</u>
Unrestricted funds					
General funds	116,433	35,700	(33,683)	(21,699)	96,751
	<u>116,433</u>	<u>35,700</u>	<u>(33,683)</u>	<u>(21,699)</u>	<u>96,751</u>
Total funds	<u>532,880</u>	<u>1,542,511</u>	<u>(1,473,593)</u>	<u>-</u>	<u>601,798</u>

16 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	438,709	438,709
Current assets	111,012	590,851	-	701,863
Current liabilities	-	(422,703)	-	(422,703)
Total net assets	<u>111,012</u>	<u>168,148</u>	<u>438,709</u>	<u>717,869</u>

CATCOTE FUTURES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

16 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	409,937	409,937
Current assets	96,751	305,315	-	402,066
Current liabilities	-	(210,205)	-	(210,205)
Total net assets	96,751	95,110	409,937	601,798

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

	Notes	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)		116,071	68,918
Adjusted for:			
Capital grants from DfE and other capital income		(26,180)	(7,332)
Investment income receivable	5	(35)	(20)
Depreciation of tangible fixed assets		22,220	25,274
Decrease/(increase) in debtors		102,545	(90,589)
Increase in creditors		212,498	40,224
Net cash provided by operating activities		427,119	36,475

18 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	257,468	402,342	659,810

CATCOTE FUTURES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Long-term commitments

Operating leases

At 31 August 2022 the total of the charitable company's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	27,315	23,908
Amounts due in two and five years	95,631	92,223
Amounts due after five years	1,019,875	1,040,375
	<u>1,142,821</u>	<u>1,156,506</u>

20 Related party transactions

Owing to the nature of the charitable company's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the charitable company has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the charitable company's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

During the year, the parent company recharged net service costs of £149,369 (2021: £262,903) and the amounts owing to Hartlepool Aspire Trust at the year end was £113,730 (2021: £83,144).

Ms J Currell, daughter of Mr B Currell (Head of College), is employed by the trust. Ms Currell was appointed in open competition through a competitive interview process by a recruitment panel. Ms Currell is paid in line with the standard national pay scale and has received no special treatment as a result of her relationship to a member of the senior management team.

In entering into these transactions, the charitable company has complied with the requirements of the Academies Trust Handbook 2021.

21 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he or she ceases to be a member.

22 Agency arrangements

The academy trust distributes bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the trust received £1,431 (2021: £7,579) and disbursed £1,075 (2021: £125) from the fund. An amount of £10,009 (2021: £9,653) is included in other creditors relating to undistributed funds carried forward to the next academic year.

