

Churchdown School Academy

Annual Report and Financial Statements 2022-2023

CHURCHDOWN SCHOOL CONTENTS

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CHURCHDOWN SCHOOL
REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr D Potter	Head Teacher and Accounting Officer	(appointed 1 September 2019)
Mrs P Scott-Plummer	Chair of Trustees Education and Achievement Committee	(appointed 6 July 2022) (appointed 9 December 2020)
Mr C Widden	Vice Chair of Trustees Education and Achievement Committee	(appointed 6 July 2022) (appointed 15 October 2014)
Mrs G Davie	Finance and Resources Committee	(appointed 16 May 2022)
Mrs J Harrison	Finance and Resources Committee	(appointed 6 June 2019)
Mr D Walsh	Finance and Resources Committee	(appointed 16 May 2022)
Mrs L Webley	Finance and Resources Committee	(appointed 9 December 2020)
Mrs J Wooler	Finance and Resources Committee	(appointed 1 November 2011) (resigned 11 October 2022)
Mrs P Church	Education and Achievement Committee	(appointed 22 February 2021)
Mrs S Khan	Education and Achievement Committee	(appointed 6 July 2022)
Mrs C Polgrean	Education and Achievement Committee	(appointed 16 September 2020) (resigned 7 September 2022)
Mrs C Bailey	Education and Achievement Committee	(appointed 29 March 2022)
Mrs M Huggins	Education and Achievement Committee	(appointed 29 March 2022)
Mr A Lloyd	Education and Achievement Committee	(appointed 29 March 2022)

Company Secretary

Mr A Hargreaves	(appointed 2 March 2020)
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Senior Leadership Team

Mr D Potter	Head Teacher
Mr J O'Connell	Senior Deputy Head Teacher
Miss J Hilton	Deputy Head Teacher
Mr D Carter	Assistant Head Teacher
Mr A Coates	Assistant Head Teacher
Mr A Hargreaves	Business Manager
Mr S Hastings	Assistant Head Teacher
Mrs R Jones	Assistant Head Teacher (Maternity Leave)
Mrs J Stephenson	Assistant Head Teacher (Interim)
Miss A Trainer	Assistant Head Teacher
Mrs M Whitson-Jones	Assistant Head Teacher
Mr R Young	Assistant Head Teacher (Interim)

The Senior Leadership Team are the key management personnel of the Academy.

**CHURCHDOWN SCHOOL
REFERENCE AND ADMINISTRATIVE DETAILS**

Registered Office

Winston Road
Churchdown
Gloucester
GL3 2RB

Company Registration Number 07773693 (England and Wales)

Auditors

Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
GL51 0UX

Bankers

Virgin Money
Bering House
Mariner Court
Clydebank Business Park
G81 2NR

HSBC Bank Plc
The Cross
Gloucester
GL1 2AP

Solicitors

Harrison Clark Rickerbys LLP
Ellenborough House
Wellington Street
Cheltenham
GL50 1YD

Surveyors

David Smith
DSC Consultants Limited
Suite D, Alexandra Warehouse
Gloucester
GL1 2LG

The Trustees present their annual report together with the audited financial statements of the Academy for the year ended 31 August 2023.

Constitution and Principal Activities

Churchdown School was a Foundation School that was granted permission to convert to an Academy on 1 November 2011. The principal activity is to provide education to pupils aged 11-18 with a broad and balanced curriculum.

Churchdown School Academy (the "Academy") is a company limited by guarantee and an exempt charity. It was incorporated on 1 November 2011. The Academy generally refers to itself as a School rather than a Company, to its Directors as Trustees and to the Principal as the Head Teacher. The Academy's Memorandum and Articles of Association, together with the funding agreement are the primary governing documents of the Academy.

The Trustees act for the charitable activities of the Academy and are the directors of the Charitable Company for the purposes of company law. Details of the Trustees who served throughout the 2022/23 year are listed on page 1.

Members' Liability

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

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides unlimited cover, is administered by central Government and known as the Risk Protection Arrangement (RPA).

Recruitment and Appointment or Election of Trustees

The Trustees are directors of the company for the purposes of the Companies Act 2006 and Trustees for the purposes of charity legislation. The Trustees, who were in office at 31 August 2023 and served throughout the year, are listed in the Reference and Administrative Details set out on page 1.

Trustees are subject to retirement by rotation but are eligible for re-election at the meeting at which they retire. The term of office for any Trustee, other than the Head Teacher, is four years. All Trustees are also members of the Academy Trust.

Parent Trustees are elected by parents of registered pupils at the Academy and should be a parent of a pupil at the Academy when elected. The Trustees may appoint up to three co-opted Trustees, up to 14 Trustees with no more than three employees of the Academy trust.

Regard is given to the skills mix of the Trustees to ensure that the Board of Trustees has all the necessary skills required to contribute fully to the Academy's development.

No Trustee received any remuneration in respect of their duties for the Academy during the financial period.

Trustees Induction and Training

On appointment, a skills audit is undertaken, highlighting where additional training is desirable. Trustees undergo a DBS check and a Section 128 check. All Trustees are given a tour of the Academy and a chance to meet with staff and pupils. Trustees are provided with copies of policies and procedures, minutes, accounts and budgets, strategic plans, and other documents that they will need to undertake their role. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Trustees are given membership to the National Governors Association, The Key, and the Local Authority Schoolsnet website link where they can obtain information and guidance and view training courses. Trustees also receive school email address to ensure confidentiality and access to a Governors Office365 secure site. Trustees receive a copy of the School Development Plan, a list of all Trustees' contact details and members of the various sub-committees, as well as a calendar of meetings for the rest of the academic year. A copy of What's up Gov? (provided by the Local Authority) containing important information and courses is circulated to all Trustees as soon as they are released.

This year, Trustees have received Level 1 and 2 Safeguarding Training, Governor Specific Safeguarding Training, Prevent, Recruitment and Selection Training and Headteachers' Performance Management Training.

Organisational Structure

The Trustees are responsible for setting general policy, adopting an annual development plan and budget, monitoring the Academy by the use of budgets and reports and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments. The Trustees also monitor the performance of the Senior Leadership Team.

The Board of Trustees has established a number of sub-committees to review policies and the performance of the Academy in all areas, all of which report back to the Full Board of Trustees. Every member of the Board of Trustees sits on at least one sub-committee and the Head Teacher attends all sub-committee meetings along with other members of the Academy's Senior Leadership Team as appropriate.

The Senior Leadership Team of the Academy comprises the Head Teacher, one Senior Deputy Head Teacher, one Deputy Head Teacher, the Business Manager and six Assistant Head Teachers. This team controls the Academy at an executive level implementing the policies laid down by the Trustees and reporting back accordingly. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, although appointment decisions for management posts always involve a Trustee in the interview process. Some spending control is devolved to the Middle Leadership Team who each have budgets, with limits above which the Business Manager must countersign.

Arrangement for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Senior Leadership Team as the key management personnel of the Academy who lead on the management and operation of the Academy on a daily basis.

Details of Trustees' remuneration and expenses are disclosed in note 10 to the accounts.

The pay of the Head Teacher and senior staff is reviewed annually based on performance and normally increased in accordance with average earnings. The remuneration is set to ensure it is both fair but also will attract and retain staff of the appropriate calibre and experience required by the Academy.

Trade Union Facilities Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	0.8

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0

Objectives and Activities

When setting the objectives of the Academy, the Trustees give careful consideration to the Charity Commission's general guidance on the public benefit, and in particular to its supplementary guidance on advancing education. The Academy aims to offer "more than a visible curriculum" by enriching pupils' experience of school with extensive opportunities for extra-curricular activities and a wide range of educational trips.

We aim to be a centre of high quality education where effective learning, provided in a supportive and caring environment, is the most important purpose of the school. We have committed and talented staff that work well together as a team.

Expectations of all staff and students are high and we are committed to continuous self-evaluation and improvement. We provide excellent staff development opportunities and are committed to promoting individual career development.

School Vision and Aims 2022-2023

We are committed to our vision of Achieving Success for All. That is, that no matter a child's background, gender or race, they would not receive a better education elsewhere and they achieve incredible success at Churchdown.

Our Mission

Our mission is to be a school where student development and learning are at the centre of everything we do. Students are expected to strive for personal excellence and demonstrate a commitment to learning as they fulfil their potential. Our community is a nurturing and caring one where students are encouraged to show compassion, friendship and support towards one another. We aim to provide an education which is fully inclusive, where every child is valued for who they are and who they can become.

At Churchdown School Academy the education we provide is guided by values of respect, ambition and tolerance. These values are particularly important to us as we develop the students into lifelong learners and prepare them for a life beyond school.

Focus for 2023-24

The focus for 2023-24 will be based on ensuring students achieve to the best of their ability across all subjects and year groups. We aim to ensure that all staff are nurtured and developed as part of their career progression and that our teaching and learning is outstanding in all areas of the school, for every student.

Strategies and Activities

The Academy has clear targets and strategies, which are included in the School Development Plan. Each individual department also has their own Improvement Plan which forms part of the overall School Development Plan.

Public Benefit

The Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission in defining the strategic direction of the Academy. The Trustees have referred to the Charities Commission's general guidance on public benefit when reviewing the Academy's aims and objectives and in planning future activities for the year. The Academy continues to be at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community.

Achievements and Performance

During the academic year of 2022-23 the school has operated well. There has been minimal disruption with students' absence (Churchdown attendance 95% vs National 88%). All the KS4 and KS5 summer exam series was managed well with all students achieving above national baseline figures. This shows how well Churchdown has managed the advanced information and careful strategy around exam readiness.

Educational Performance

Our results for all students are the best we have ever had and prove that teaching is significantly improving in school. Our provisional Progress 8 score in 2018 ranked us in the top 22% of all schools nationally and the second ranked comprehensive school in the county. The Progress 8 score in 2019 increased even further and ranked us in the top 8% of schools nationally. The P8 score for 2023 is +0.68 which is further growth across all grades, for all subjects.

The KS5 results also indicate significant growth with the average grade achieved within A Level subjects being a C+. Within Btec (vocational subjects) the growth went to an average grade of a D+.

We have worked hard to drive up standards and make the school a better place to study and learn. The results show that we have committed young people who have made a huge contribution to the development of their school and will, we are sure, similarly impact the community. The results over previous years have shown continued growth with regards to student outcomes. The school is tremendously proud of all students and looks forward to even greater developments.

OFSTED Inspection

On 25th November 2021 the school received a routine Ofsted Inspection. The school was again judged to be good and there was recognition of the significant and rapid improvements over the previous years.

Key findings

- Pupils are happy at school. They feel proud to attend and enjoy their time here. Some pupils say that they 'love' the school. Pupils from all year groups feel safe and secure. Pupils know that staff care about them. They believe that all staff treat everyone fairly. Pupils can talk easily to staff, including the headteacher and senior leaders.
- Pupils describe lessons as being interesting and fun. They work hard to match their teachers' high expectations. Pupils receive helpful feedback. This enables them to improve their work and learn more.
- The school provides extra classes after school for English, Mathematics, and Science. Pupils appreciate how these are helping them to deepen their learning after a year in which they have missed much school.
- Pupils behave well in lessons and at social times. Pupils are kind and friendly to each other. Bullying is rare. If bullying does occur, staff manage it quickly and effectively. Pupils feel that their voices are heard and that they have a say in the direction of the school.
- The school is well led. Leaders pay great care and attention to managing the workload of staff. As a result, there is a strong sense of purpose and morale within the staff group. Leaders are high profile around the school. Staff and pupils feel that leaders are approachable and supportive. Leaders ensure that the school is a welcoming place for all pupils. Few pupils leave during the course of a year.
- Leaders give much attention to the development of the curriculum. It is particularly strong in some subjects. For example, in English, it has been subject to considerable thought and collaboration. Curriculum plans are well-structured and sequenced in a logical order. The quality and consistency of the English curriculum ensures that pupils achieve highly. The school's policies ensure teachers implement the curriculum well. Teachers' use of assessment to check pupils' learning is effective. Teachers' approaches help pupils to remember what they have learned. However, there is some slight variation across departments in the consistency of the use of these approaches. For example, in teachers' use of language. Leaders are aware of this and they are working to improve it.
- Sixth-form leaders are ambitious for students. Sixth-form students study a wide range of subjects, which they enjoy and appreciate. Students are well prepared for their next steps. The number of them accessing higher education continues to increase.
- Leaders have ensured the curriculum goes beyond the academic to deepen pupils' wider development. This is evident in personal, social and health education, tutor time, social skills lessons and assemblies.

Going Concern

The Board of Trustees has a more than reasonable expectation that the Academy 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 below and in the Accounting Policies note of the financial statements.

The Trustees assess whether the use of going concern is appropriate and whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 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.

**CHURCHDOWN SCHOOL
TRUSTEES' REPORT INCLUDING STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

Financial Review

This financial data covers the 12 month period up to the end of academic year 31 August 2023 with comparative amounts for the 12 month period to the end of the academic year 31 August 2022.

The Academy converted in November 2011 with assets and liabilities in total of £19,896,874 including £263,000 unrestricted funds, £21,448,874 fixed assets less £1,815,000 pension deficit.

This financial year the Academy received £10,937,572 (2022: £9,795,013) of income from grants, donations and activities for generating funds and incurred costs of £11,029,919 (2022: £10,073,945) on educational operations, governance costs and pension charges, with an actuarial gain £1,044,000 (2022: gain of £3,390,000) on the pension fund, recognising an overall surplus of £951,653 (2022: surplus of £3,111,068).

At 31 August 2023 the Academy carried forward £22,054,459 (2022: £21,102,806) including £339,417 (2022: £283,466) of unrestricted income funds, £1,102,053 (2022: £914,410) of general funds, £20,948,989 (2022: £21,257,930) of fixed asset funds less £336,000 (2022: £1,353,000) pension funds deficit.

Income

The majority of the Academy's income is received from the Education Skills and Funding Agency (ESFA) in the form of monthly recurrent grants, the use of which is restricted for specific educational purposes. The ESFA grants received during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

In addition, the Academy generates income through the hiring out of facilities, the selling of uniform and PE kit and sale of in-house catering, which is included within unrestricted funds.

The restricted fixed assets fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Expenditure

The running costs of the Academy have been as expected for the age of the buildings. The Academy's Support Staff are entitled to membership of the Local Government Pension Scheme. At the year end the Academy's share of the deficit has been assessed as £336,000 (2022: £1,353,000). The Academy will continue to monitor and update its three year financial plan accordingly.

Reserves Policy

The policy of the Academy is to carry forward a prudent level of reserves designed to meet the long-term cyclical needs of renewal and any unforeseen contingencies, subject to the constraint that the level of reserves does not exceed the level permitted by the ESFA. In addition, that the resources are primarily used to meet the needs of the pupils within the Academy and therefore any reserves are kept under review and are not deemed excessive. The Academy is committed to spending its Revenue Grants on the pupils 'of the day' but is fully aware of the potential for unforeseen expenditure and, therefore, feel that a contingency holding of between 9% and 10% is prudent to ensure the Academy can meet all of its obligations without risk.

The Academy's current level of contingency is at a healthy level. Over recent years the Academy has examined staffing levels and identified reductions to ensure that it stays within its budgeted staffing costs. The Academy holds excess reserves over and above the policy which will be used for the installation of solar panels (circa £130,000), an outdoor canopy (circa £68,000) and a new fire escape (circa £57,000) in 2023/24.

Investment Policy

Any surplus income is held with the Academy's designated bank accounts with Virgin Money and accrues interest at the designated rate. The Academy does not invest its funds elsewhere or enter into any schemes such equity bonds. It does not have sufficient reserves to enter into any long term secured investments.

Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities, its financial operations and other operational areas of the Academy. The Trustees have implemented a number of systems to assess risks especially in the operational areas for example : in relation to teaching, health and safety and school trips. They have introduced systems, including operational procedures for example the vetting of new staff and visitors, supervision of school grounds and internal financial controls in order to minimise risk. The Trustees recognise their responsibilities to ensure the estate is safe, secure, well maintained and it complies with the relevant regulations. Where significant risks remain, they have ensured they have adequate ESFA approved insurance cover.

The Academy receives the majority of its funding from the ESFA and as such relies on appropriate levels of funding to carry out all of its operations. However, the Trustees have identified the risk of sustainability due to the increase in overall staffing costs. Trustees also ensured that the other spending levels were kept to their current levels of expenditure to ensure that 'in year' they were able to prepare a balanced budget. This was monitored on a monthly basis throughout the year with accurate, concise and regular budget monitoring reporting from the Business Manager. This approach will be maintained for 2023/24.

Financial and Risk Management Objectives and Policies

The Academy continues to undertake work to further develop systems of internal control, including financial, operational and risk management designed to protect its assets and reputation. The Finance and Resources sub-committee of the Board of Trustees has a remit to identify and manage risk and has an Academy's risk register which identifies the risks to which the Academy is exposed. This identifies systems and procedures, including specific preventable actions which should mitigate any potential impact on the Academy.

The main responsibility for identifying corporate risks lies with the Senior Leadership Team and the Board of Trustees. These Trustees will consider both existing risks and consider any new potential risks. Senior Leadership Team input is important as members are well placed to identify and monitor corporate risks.

Individual managers may also identify risks to their department's aims. Mitigating actions should be identified if the risk is considered serious enough. If the risks are considered corporate, again the manager should advise relevant Senior Leadership Team members. All staff have a role in identifying risks.

During 2022/23 the Academy employed the Audit Risk Assurance Team from the Local Authority to act as the Responsible Officer. A designated and consistent officer completed four visits at quarterly intervals plus a year-end report. The reports were shared with the Business Manager, Head Teacher, Chair of Trustees, and Hazlewoods. The Responsible Officer's role includes providing the Board of Trustees with an on-going independent oversight of the Academy's affairs. Assurances were sought from the Responsible Officer that the financial responsibilities are being properly discharged, resources are managed in an efficient, economical and effective manner, sound systems of internal financial control are being maintained and financial considerations are fully taken into account in reaching decisions. This approach complies with the requirements within the Academy Trust Handbook 2022.

Plans for Future Periods

The Academy's resubmitted CIF bid for window and heating replacement was again unsuccessful. In addition to the much needed windows and heating replacement, the Science block will also need remedial work for its roof in the coming 3-5 years.

**CHURCHDOWN SCHOOL
TRUSTEES' REPORT INCLUDING STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

Auditor

Hazlewoods LLP having previously been appointed the first auditor to the Academy has indicated their willingness to continue in office.

Disclosure of information to the Auditors

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.

Approved by order of the board of Trustees on 15/11/23 and signed on its behalf by :

Poppy Scott Plummer

**Mrs Poppy Scott-Plummer
Chair of Trustees**

Scope of Responsibility

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

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

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

Governance

The Academy's organisational structure and framework for governance and management is detailed in the Trustees' Report on pages 3 to 9.

The Governance of the Academy is delegated to two sub committees:

- Finance and Resources
- Education and Achievement

Trustee attendance during the academic year is listed below :

Name	Category	Committees	Possible Attendance	Actual Attendance
Mr Potter	Headteacher	All	12	10
Mr C Widden	Vice Chair	All	12	10
Mrs G Davie	Trustee	FB / E&A	10	10
Ms P Church	Trustee	FB / E&A	10	6
Ms J Harrison	Member	FB / F&R	10	4
Ms C Polgrean	Trustee	FB / E&A	10	0
Mrs P Scott-Plummer, Chair and Member, All			12	11
Mr D Walsh	Trustee	FB / F&R	10	9
Ms L Webley	Member	FB / F&R	10	3
Mrs S Khan	Trustee	FB / E&A	10	2
Mrs J Wooler	Trustee	FB / F&R	10	2
Mrs C Bailey	Trustee	FB	2	2
Mrs M Huggins	Trustee	FB	1	1
Mr A Lloyd	Trustee	FB	2	2

Each sub-committee meets at least three times during the year.

The Education and Achievement sub-committee received and discussed Individual Pupils' ISM Data and Targets for ISM1 and ISM2. They also discussed the Academy's Achievement Strategy, the SSAT Accreditation achieved for Professional Practice, ratified the Admission Policy for September 2022 and received and discussed the standing agenda items.

The Finance and Resources sub-committee met and discussed the Annual End of Year accounts, the Outturn Forecast for 2022/23, the Auditor's Report and various staffing issues. Premises reports were presented and discussed at regular intervals during the year. These reports covered works being undertaken and future planned works. Works completed included the repair of the internal road, remodelling of the main kitchen, the completion of a new meeting room and the installation of swipe card access on 11 rooms across the site.

The Full Board of Trustees met four times during the year to receive the sub-committees' and Head Teacher's reports. Throughout the year the Trustees performed in a thoroughly professional and effective manner. They also ensured that each sub-committee fully discussed the management of all operations of the school to ensure that there is robust governance and effective strategies and policies are in place to enable Trustees to discharge their responsibilities effectively.

Conflicts of Interest

Academy trusts must describe the processes they have in place to manage conflicts of interest, including for example, but not limited to maintaining an up-to-date and complete register of interests, and how the information on this register is used in the day-to-day management and governance of the academy trust. Where relevant, they must also explain how the academy trust avoids conflicts of interest in its ownership or control of any subsidiaries, joint ventures or associates.

Review of Value for Money

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

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

The Accounting Officer for the Academy trust has delivered improved value for money during 2022/23. Some of the interventions introduced by the Academy during the last year which considerably provided sound value for money included the:

- Review of teaching provision throughout the school.
- Further provision of revision sessions for students outside normal lessons; after school and at weekends for Year 11 students run by teachers who were not paid extra.

In addition, all Support Service costs are carried out 'in-house'; this provides the most cost effective way to deliver these services including Catering, Cleaning and Payroll. The Trustees have the responsibility keep the estate safe, secure and well maintained. During 2022/23 the Business Manager worked alongside an external provider on the Good Estate Management document (GEMS) which was submitted to central Government as part of the CIF bid.

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 Academy'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 Academy continues to employ a third party, the Audit Risk and Assurance Team from the Local Authority, to complete its Responsible Officer role. The system of internal control has been in place in the Academy for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is satisfied that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ending 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

The Responsible Officer role is now completed on a three monthly basis by the Audit and Risk Assurance Team (ARA) from the Local Authority. This has resulted in improved and clearer Trustee minutes, accurate reports shared with all parties and a written response from the Business Manager on all control issues on a three monthly basis. The ARA has stated its Substantial Assurance on a number of areas

Review of Effectiveness

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

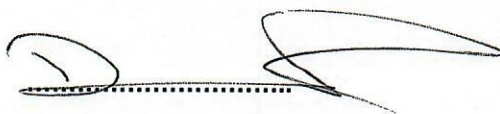
- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resource Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 15/11/23 and signed on its behalf by:



Mrs Poppy Scott-Plummer
Chair of Trustees



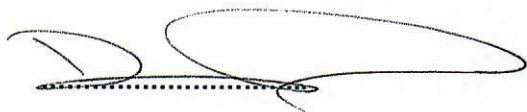
Mr D Potter
Accounting Officer

CHURCHDOWN SCHOOL
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2023

As Accounting Officer of the Churchdown School Academy I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with terms and conditions of 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 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of 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 2022.

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



Mr D Potter
Accounting Officer

15.11.23

Date

**CHURCHDOWN SCHOOL
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees (who act of Governors of Churchdown School Academy and are also Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for the year. In preparing these financial statements, the Trustees are required to:

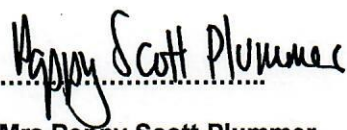
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS102) and the Academies Accounts Direction 2022 to 2023
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards 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 operation

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the Education and Skills Funding Agency and Department for Education have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 15/11/23 and signed on its behalf by:



**Mrs Poppy Scott-Plummer
Chair of Trustees**

Opinion

We have audited the financial statements of Churchdown School Academy for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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 (FRS102) and the Academies Accounts Direction 2022 to 2023 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 2023, 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 (FRS102) and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 trustees' responsibilities statement, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the company financial statements or that had a fundamental effect on the operations of the company. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and taxation laws;
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included challenging assumptions and judgments made by management in its significant accounting estimates and identifying and testing journal entries, in particular any journal entries posted with unusual characteristics.

**CHURCHDOWN SCHOOL
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHURCHDOWN SCHOOL
FOR THE YEAR ENDED 31 AUGUST 2023**

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.

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

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

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

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 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 academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Scott Lawrence FCA DChA (Senior Statutory Auditor)

16 November 2023

Date

For and on behalf of Hazlewoods LLP, Statutory Auditor

**Staverton Court
Staverton
Cheltenham
GL51 0UX**

**CHURCHDOWN SCHOOL
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE GOVERNING BODY
OF CHURCHDOWN SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2023**

In accordance with the terms of our engagement letter dated 27 July 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies: Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Churchdown School Academy during year to 31 August 2023 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 Churchdown School Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Churchdown School Academy and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Churchdown School Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Churchdown School Academy's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Churchdown School Academy's funding agreement with the Secretary of State for Education dated 1st November 2011 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 to 31 August 2023 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.

In this regard, we have carried out the following:

- specific testing of a sample of items of income and expenditure to ensure appropriately applied for the purposes intended;
- specific testing of a sample of system controls relevant to the above items;
- a general review of relevant correspondence with the ESFA regarding Academy governance matters during the period since conversion; and
- a general review and discussion of the Academy's internal processes for establishing and maintaining systems of control and documentation regarding these matters.

**CHURCHDOWN SCHOOL
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE GOVERNING BODY
OF CHURCHDOWN SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2023**

Conclusion

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

.....

Scott Lawrence FCA DChA (Reporting Accountant)

16 November 2023

Date

For and on behalf of Hazlewoods LLP, Statutory Auditor

**Staverton Court
Staverton
Cheltenham
GL51 0UX**

CHURCHDOWN SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
INCOME AND						
ENDOWMENTS FROM:						
Donations and capital grants	3	-	-	85,575	85,575	40,121
Other trading activities	5	100,408	-	-	100,408	75,070
Investment income	6	58,832	-	-	58,832	4,716
Charitable activities:						
Funding for the Academy's educational operations	4	1,536,545	9,156,212	-	10,692,757	9,675,096
TOTAL		1,695,785	9,156,212	85,575	10,937,572	9,795,013
EXPENDITURE ON:						
Charitable activities:						
Academy's educational Operations: normal	8	1,639,834	9,004,113	433,711	11,029,919	10,073,945
NET INCOME/ (EXPENDITURE)		55,951	199,838	(348,136)	(92,347)	(278,932)
Transfers between funds						
		-	(39,195)	39,195	-	-
Actuarial gains/(losses) on defined benefit pension schemes						
	17,26	-	1,044,000	-	1,044,000	3,390,000
NET MOVEMENT IN FUNDS		55,951	1,204,643	(308,941)	951,653	3,111,068
RECONCILIATION OF FUNDS						
Total funds brought forward	17,18	283,466	(438,590)	21,257,930	21,102,806	17,991,738
TOTAL FUNDS CARRIED FORWARD	17,18	339,417	766,053	20,948,989	22,054,459	21,102,806

All of the Academy's activities derive from continuing operations during the above two financial periods.

No separate statement of total recognised gains and losses has been presented as all such gains and losses are dealt with in the statement of financial activities above.

**CHURCHDOWN SCHOOL
BALANCE SHEET
AS AT 31 AUGUST 2023**

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	12	20,948,989	21,257,930
CURRENT ASSETS			
Stock	13	22,041	31,475
Debtors	14	128,628	111,857
Cash at bank and in hand		1,707,946	1,348,728
		<u>1,858,615</u>	<u>1,492,060</u>
LIABILITIES			
Creditors: Amounts falling due within one year	15	(417,145)	(294,184)
NET CURRENT ASSETS		<u>1,441,470</u>	<u>1,197,876</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>22,390,459</u>	<u>22,455,806</u>
Defined benefit pension scheme liability	26	(336,000)	(1,353,000)
TOTAL NET ASSETS		<u>22,054,459</u>	<u>21,102,806</u>
FUNDS OF THE ACADEMY:			
Restricted funds			
Fixed asset fund	17	20,948,989	21,257,930
General funds	17	1,102,053	914,410
Pension reserve	17	(336,000)	(1,353,000)
Total restricted funds		<u>21,715,042</u>	<u>20,819,340</u>
Unrestricted income funds	17	339,417	283,466
TOTAL FUNDS		<u>22,054,459</u>	<u>21,102,806</u>

The financial statements on the following pages were approved by the Governors, and authorised for issue on 15/11/23.... 2023 and are signed on their behalf by:


.....
Mrs Poppy Scott-Plummer
Chair of Trustees

Company Limited by Guarantee
Registration Number 07773693

CHURCHDOWN SCHOOL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	21	398,414	421,226
Cash flows from investing activities	22	(39,196)	(82,845)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD		<u>359,218</u>	<u>338,381</u>
Cash and cash equivalents at 1 September 2022	23	1,348,728	1,010,347
Cash inflow in the year		359,218	338,381
CASH AND CASH EQUIVALENTS AT 31 AUGUST 2023	23	<u>1,707,946</u>	<u>1,348,728</u>

1 Statement of 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.

Basis of Preparation

The financial statements of the School, 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 (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. Churchdown School meets the definition of a public benefit entity under FRS 102.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval 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.

Income

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants receivable**

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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

- **Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt.

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt 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 goods have been provided or on completion of the service.

- **Donated Services and Gifts in Kind**

The value of donated services and gifts in kind provided to the Academy are recognised at an estimate of their gross value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy's policies. No such donated Services or Gifts in Kind were received this year.

1 Statement of Accounting Policies (continued)

Expenditure

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- **Expenditure on raising funds**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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

Freehold buildings	50 years straight line
Freehold land	Nil
Computer equipment	3 years straight line
Motor vehicles	4 years straight line

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

Leased Assets

In respect of leases that are operating leases, the annual rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

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 basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at transaction price as all are payable on demand as detailed in note 13. Prepayments are not financial instruments.

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

1 Statement of Accounting Policies (continued)

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at transaction price as all are payable within one year as detailed in note 14. 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.

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution, are not included in the financial statements until they are sold or distributed.

Taxation

The Academy 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 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.

Pensions Benefits

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 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 based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multiemployer 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 net income/(expenditure) 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.

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency and Department for Education.

1 Statement of Accounting Policies (continued)

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Governors do not consider that they have made any critical judgements apart from those involving estimation in the preparation of the financial statements.

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability.

Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy was subject to limits at 31 August 2023 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes. The Academy has not exceeded these limits during the year ended 31 August 2023 or the prior year ended 31 August 2022.

3 Donations and Capital Grants

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Capital grants	-	85,575	85,575	29,003
Donations	-	-	-	11,125
	<u>-</u>	<u>85,575</u>	<u>85,575</u>	<u>40,128</u>

Capital grants and donations in 2022 were £40,128 which was entirely restricted funds.

4 Funding for Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
DfE/ESFA revenue grants:				
General Annual Grant (GAG) - see note 2	-	8,846,141	8,846,141	8,354,755
Other DfE/ESFA grants	-	11,423	11,423	10,644
	-	8,857,564	8,857,564	8,365,399
Other government funding:				
Local Authority grants	-	298,648	298,648	202,387
Covid-19 additional funding (DfE/ESFA):				
ESFA Covid catch up premium	-	-	-	4,083
Other income:				
Sale of school meals:	307,374	-	307,374	267,237
Other catering income:	73,159	-	73,159	40,180
Private fund income:	1,156,012	-	1,156,012	795,813
	<u>1,536,545</u>	<u>9,156,212</u>	<u>10,692,757</u>	<u>9,675,099</u>

Funding for academy's educational operations in 2023 was £10,692,757 (2022: £9,675,099) of which £1,536,545 (2022: £1,103,230) was unrestricted funds and £9,156,212 (2022: £8,571,869) was restricted funds.

The academy received £nil (2022: £4,083) of funding for catch-up premium, mass testing and emergency support and costs incurred in respect of this funding totalled £nil (2022: £4,083), with the remaining £nil to be spent in 2023/24 (2022: £nil to be spent in 2022/23).

5 Other Trading Activities

	Unrestricted Funds £	Total 2023 £	Total 2022 £
Income from hire of facilities and services	12,000	12,000	12,000
Tuition Fees	16,000	16,000	17,966
Other Income	72,408	72,408	45,104
	<u>100,408</u>	<u>100,408</u>	<u>75,070</u>

Income from other trading activities in 2022 was £75,070 which was entirely unrestricted funds.

6 INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Bank interest receivable	58,832	-	-	4,716
	<u>58,832</u>	<u>-</u>	<u>-</u>	<u>4,716</u>

CHURCHDOWN SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
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7 Expenditure

	Staff Costs £	Non-Pay Expenditure Premises £	Other Costs £	Total 2023 £	Total 2022 £
Academy's educational operations					
- Direct costs	6,223,915	433,711	1,898,362	8,555,988	7,620,437
- Allocated support costs	1,176,306	729,309	568,316	2,473,931	2,453,508
	<u>7,400,221</u>	<u>1,163,020</u>	<u>2,466,678</u>	<u>11,029,919</u>	<u>10,073,945</u>

The method used for the apportionment of support costs is disclosed in the accounting policies.

Net income/(expenditure) for the period includes:

	2023 £	2022 £
Depreciation of tangible fixed assets:		
- owned by the academy	433,712	403,020
Fees payable to auditor		
- Audit	15,860	8,600
Operating leases	<u>32,566</u>	<u>29,656</u>

CHURCHDOWN SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
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8 Charitable Activities - Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Direct costs				
Teaching & education support staff	-	6,223,915	6,223,915	5,893,235
Depreciation	-	433,711	433,711	403,020
Educational supplies	-	354,761	354,761	295,060
Examination fees	-	150,229	150,229	120,029
Staff development	-	30,634	30,634	12,158
Educational consultancy	-	51,848	51,848	57,524
Private funds expenditure	1,175,427	-	1,175,427	759,047
Other direct costs	-	135,463	135,463	80,004
	<u>1,175,427</u>	<u>7,380,561</u>	<u>8,555,988</u>	<u>7,620,437</u>
Allocation supported costs				
Support staff costs	-	768,263	768,263	686,178
Technology costs	-	16,986	16,986	36,968
Premises & equipment maintenance	-	313,106	313,106	339,440
Cleaning (inc £181,916 Salaries)	-	211,728	211,728	216,046
Rent & rates	-	23,040	23,040	22,528
Energy costs	-	327,176	327,176	198,393
Insurance	-	36,245	36,245	34,167
Security and transport	-	39,012	39,012	36,503
Catering (inc £226,057 Salaries)	464,407	-	464,407	375,495
Pension scheme: other finance expenses (see note 25)	-	27,000	27,000	339,000
Legal costs	-	26,252	26,252	4,979
Other support costs	-	204,856	204,856	155,761
Governance costs	-	15,860	15,860	8,050
	<u>464,407</u>	<u>2,009,524</u>	<u>2,473,931</u>	<u>2,453,508</u>
	<u>1,639,834</u>	<u>9,390,085</u>	<u>11,029,919</u>	<u>10,073,945</u>

9 Staff Costs

	2023	2022
	£	£
Staff costs during the period were:		
Wages and salaries	5,478,569	5,149,394
Social security costs	555,464	524,295
Pension costs – defined contribution and defined benefit	1,324,778	1,255,402
Other pension costs – defined benefit	(30,000)	264,000
Pension finance costs – defined benefit	57,000	75,000
	<u>7,385,811</u>	<u>7,268,091</u>
Supply teacher costs	41,410	18,954
Staff restructuring costs	-	-
Apprenticeship levy	12,263	10,840
	<u>7,439,484</u>	<u>7,297,885</u>

The average number of persons (including senior management team) employed by the Academy during the year, and the full time equivalents, was as follows:

	2023	2022
	Number	Number
Charitable Activities		
Teachers	77	74
Administration and support	52	54
Management	12	10
	<u>141</u>	<u>138</u>

Higher paid staff

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

	2023	2022
	Number	Number
£60,001 - £70,000	9	6
£70,001 - £80,000	2	1
£80,001 - £90,000	0	0
£100,000 - £110,000	1	1
	<u>12</u>	<u>8</u>

The above employees participated in the Teacher's Pension Scheme. During the year ended 31 August 2023, pension contributions for these staff amounted to £204,612 (2022: £131,777).

Key management personnel

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £1,045,846 (2022: £987,423).

10 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 and not in respect of their services as trustees. Other Trustees did not receive any payments from the Academy in respect of their role as directors. The value of Staff Trustees' remuneration including employer pension contributions was as follows:

D Potter (Headteacher and trustee):

- Remuneration £100,001 - £110,000 (2022: £100,001 - £110,000)
- Employer's pension contributions paid £25,001 - £30,000 (2022: £20,001 - £25,000)

P Church (Staff trustee)

- Remuneration £50,001 - £55,000 (2022: £45,001 - £50,000)
- Employer's pension contributions paid £10,001 - £15,000 (2022: £10,001 - £15,000)

J Wooler (Staff trustee):

- Remuneration £25,001 - £30,000 (2022: £25,001 - £30,000)
- Employer's pension contributions paid £5,001 - £10,000 (2022: £5,001 - £10,000)

C Polgrean (Staff trustee)

- Remuneration £25,001 - £30,000 (2022: £35,001 - £40,000)
- Employer's pension contributions paid £5,001 - £10,000 (2022: £5,001 - £10,000)

During the year ended 31 August 2023, no (2022: no) travel and subsistence expenses were reimbursed to Trustees.

11 Trustees' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides up to £10,000,000 cover on any one claim. The cost of this insurance is included in the total insurance cost and relates to a multiple-line policy provided by the ESFA.

12 Tangible Fixed Assets

	Freehold Land and Buildings £	Furniture and Equipment £	Computer equipment £	Motor Vehicles	Total £
Cost					
At 1 September 2022	24,333,289	218,280	431,127	4,870	24,987,566
Additions	23,500	35,231	66,040	-	124,771
At 31 August 2023	<u>24,356,789</u>	<u>253,511</u>	<u>497,167</u>	<u>4,870</u>	<u>25,112,337</u>
Depreciation					
At 1 September 2022	3,261,959	122,223	342,602	2,842	3,729,636
Charged in year	332,075	36,861	63,558	1,218	433,712
At 31 August 2023	<u>3,594,044</u>	<u>159,084</u>	<u>406,160</u>	<u>4,060</u>	<u>4,163,348</u>
Net book values					
At 31 August 2023	<u>20,762,745</u>	<u>94,427</u>	<u>91,007</u>	<u>810</u>	<u>20,948,989</u>
At 31 August 2022	<u>21,071,320</u>	<u>96,057</u>	<u>88,525</u>	<u>2,028</u>	<u>21,257,930</u>

13 Tangible Fixed Assets (continued)

The cost of freehold land and buildings transferred on conversion is the Trustees' best estimate of the market value of land and buildings acquired by the School from the LEA. The cost includes an estimate for the value of the various school buildings and attributable land including playing fields based on a valuation on an existing use basis carried out by Oliver Saunders (MRICS) of Drivers Jonas Deloitte on 31 August 2012, together with an estimate for the value of land considered by the Trustees to be surplus to the requirements of the School based on previous offers made by third parties for that land. The cost of £21,448,874 includes £7,716,939 of land which is not depreciated.

13 Stock

	2023 £	2022 £
Uniform	22,041	31,475
	<u>22,041</u>	<u>31,475</u>

14 Debtors

	2023 £	2022 £
VAT recoverable	56,399	61,784
Prepayments and accrued income	72,229	50,073
	<u>128,628</u>	<u>111,857</u>

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	45,730	15,452
Taxation and social security	243	36,680
Other creditors	163,620	74,396
Accruals and deferred income (see note 16)	207,552	167,656
	<u>417,145</u>	<u>294,184</u>

16 Deferred income

	2022 £	2023 £
Deferred Income at 1 September 2022	108,581	127,152
Resources deferred in the year	116,397	108,581
Amounts released from previous years	(108,581)	(127,152)
Deferred Income at 31 August 2023	<u>116,397</u>	<u>108,581</u>

At the balance sheet date the academy was holding funds received in advance for Deferred Capital projects of £nil (2022: £nil), Capital Maintenance of £29,673 (2022 - £29,718), Pupil Premium of £61,124 (2022 - £58,383), Rates relief funding of £25,600 (2022: £20,480) and £nil (2022 - £nil) of CAF funding.

CHURCHDOWN SCHOOL
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17 Funds

	Balance at 31 August 2022 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant	914,410	8,846,141	(8,619,303)	(39,195)	1,102,053
Other DfE/EFA grants	-	11,423	(11,423)	-	-
Other Grant Funding	-	298,648	(298,648)	-	-
Pension reserve	(1,353,000)	-	(27,000)	1,044,000	(336,000)
	<u>(438,590)</u>	<u>9,156,212</u>	<u>(8,956,374)</u>	<u>1,004,805</u>	<u>766,053</u>
Restricted fixed asset funds					
DfE/YPLA capital grants	-	85,575	-	(85,575)	-
Other donations	-	-	-	-	-
Tangible Assets	21,257,930	-	(433,711)	124,770	20,948,989
Total restricted funds	<u>20,819,340</u>	<u>9,241,787</u>	<u>(9,437,824)</u>	<u>1,044,000</u>	<u>21,715,042</u>
Unrestricted funds	<u>283,466</u>	<u>1,695,785</u>	<u>(1,639,834)</u>	<u>-</u>	<u>339,417</u>
Total funds	<u>21,102,806</u>	<u>10,937,572</u>	<u>(11,029,919)</u>	<u>1,044,000</u>	<u>22,054,459</u>

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

The Restricted General Funds includes GAG and other grants receivable from the DfE/ESFA towards the School's educational activities. School funds held in respect of education visits and events are also included in the Restricted General Fund.

The Restricted Fixed Asset Fund includes amounts receivable from the DfE/ESFA in respect of tangible fixed assets held for School use.

The Pension Reserve relates to the School's share of the deficit of the Local Government Pension Scheme overseen by the Local Authority.

Under the funding agreement with the Secretary of State, the academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2023. Note 2 discloses that this limit was not exceeded.

CHURCHDOWN SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
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17 Funds (continued)

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

	Balance at 31 August 2021 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant	622,409	8,358,838	(7,983,992)	(82,845)	914,410
Other DfE/EFA grants	-	10,644	(10,644)	-	-
Other Grant Funding	-	202,387	(202,387)	-	-
Pension reserve	(4,404,000)	-	(339,000)	3,390,000	(1,353,000)
	<u>(3,781,591)</u>	<u>8,571,869</u>	<u>(8,536,023)</u>	<u>3,307,155</u>	<u>(438,590)</u>
Restricted fixed asset funds					
DfE/YPLA capital					
Other donations	-	29,003	-	(29,003)	-
Tangible Assets	-	11,125	-	(11,125)	-
	<u>21,537,977</u>	<u>-</u>	<u>(403,020)</u>	<u>122,973</u>	<u>21,257,930</u>
Total restricted funds	<u>17,756,386</u>	<u>8,611,997</u>	<u>(8,939,043)</u>	<u>3,390,000</u>	<u>20,819,340</u>
Unrestricted funds					
Total funds	<u>235,352</u>	<u>1,183,016</u>	<u>(1,134,902)</u>	<u>-</u>	<u>283,466</u>
	<u>17,991,738</u>	<u>9,795,013</u>	<u>(10,073,945)</u>	<u>3,390,000</u>	<u>21,102,806</u>

18 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £	Restricted General £	Restricted Fixed Asset £	Total Funds £
Tangible fixed assets	-	-	20,948,989	20,948,989
Current assets	339,417	1,519,198	-	1,858,615
Current liabilities	-	(417,459)	-	(417,145)
Pension scheme liability	-	(336,000)	-	(336,000)
Total net assets	<u>339,417</u>	<u>766,053</u>	<u>20,948,989</u>	<u>22,054,459</u>

18 Analysis of net assets between funds (continued)

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

	Unrestricted Funds £	Restricted General £	Restricted Fixed Asset £	Total Funds £
Tangible fixed assets	-	-	21,257,930	21,257,930
Current assets	283,466	1,208,594	-	1,492,060
Current liabilities	-	(294,184)	-	(294,184)
Pension scheme liability	-	(1,353,000)	-	(1,353,000)
Total net assets	283,466	(438,590)	21,257,930	21,102,806

19 Capital commitments

At 31 August 2023 the school had capital commitments as follows:

	2023 £	2022 £
Contracted for, but not provided in the financial statements	-	-

20 Financial commitments

At 31 August 2023 the Academy had annual commitments under non-cancellable operating leases as follows:

	2023 £	2022 £
Other		
Expiring within one year	3,361	11,561
Expiring within two and five years inclusive	200	4,360
	3,561	15,921

21 Reconciliation of net income to net cash inflow from operating activities

	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)	(92,347)	(278,932)
Adjusted for:		
Depreciation (note 12)	433,712	403,020
Donations received not for cash	-	(11,125)
Capital grants from DfE/ESFA (note 3)	(85,575)	(29,003)
Defined benefit pension scheme cost less contributions payable (note 26)	(30,000)	264,000
Defined benefits pension scheme finance expense (note 26)	57,000	75,000
Decrease in stocks (note 13)	9,434	7,637
Increase in debtors (note 14)	(16,771)	(30,085)
Increase in creditors (note 15)	122,961	20,714
Net cash provided by operating activities	398,414	421,226

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22 Cash flows from investing activities

	2023 £	2022 £
Purchase of tangible fixed assets	(124,771)	(122,973)
Capital grants from DfE/ESFA	85,575	29,003
DfE Capital donation	-	11,125
Net cash outflow from investing activities	<u>(39,196)</u>	<u>(82,845)</u>

23 Analysis of cash and cash equivalents

	At 31 August 2023 £	At 31 August 2022 £
Cash in hand and at bank	1,707,946	1,348,728
Total cash and cash equivalents	<u>1,707,946</u>	<u>1,348,728</u>

24 Analysis of changes in net debt

	At 1 September 2022 £	Cash Flows 2022 £	New Finance Leases 2022 £	Other Non-cash Changes 2022 £	At 31 August 2023 £
Cash	1,348,728	359,218	-	-	1,707,946
	<u>1,348,728</u>	<u>359,218</u>	<u>-</u>	<u>-</u>	<u>1,707,946</u>

25 Members' Liability

Each member of the Academy 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.

26 Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £nil were payable to the schemes at 31 August 2023 (2022: £36,680) and are included within creditors.

26 Pension commitments (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £909,242 (2022: £883,256).

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

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

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £479,000 (2022: £433,000), of which employer's contributions totalled £403,000 (2022: £365,000) and employees' contributions totalled £76,000 (2022: £68,000). The agreed contribution rates for future years are 33.8% for employers and between 5.5% and 9.9% for employees.

Local Government Pension Scheme

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

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26 Pension commitments (continued)

The major assumptions used by the actuary were:

	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	3.50%	3.50%
Rate of increase for pensions in payment/inflation	3.00%	3.20%
Discount rate	5.20%	4.25%
Inflation assumption (CPI)	3.20%	3.20%
Inflation assumption (RPI)	3.00%	3.30%

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

	At 31 August 2023	At 31 August 2022
Retiring today -		
Males	20.7 years	21.7 years
Females	24.5 years	24.1 years
Retiring in 20 years -		
Males	22.0 years	22.6 years
Females	25.9 years	25.8 years

The academy trusts share of the net assets in the scheme were:

	Fair value at 31 August 2023 £	Fair value at 31 August 2022 £
Equity instruments	3,885,700	3,635,960
Debt instruments	1,255,380	1,015,930
Property	717,360	588,170
Cash	119,560	106,940
Total market value of assets	5,978,000	5,347,000

Amount recognised in the statement of financial activities

	2023 £	2023 £
Current service cost (net of employee contributions)	(30,000)	264,000
Past service cost	-	-
Net interest cost	57,000	75,000
Total operating charge	27,000	339,000

26 Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	6,700,000	9,776,000
Current service cost	373,000	629,000
Past service cost	-	-
Interest cost	291,000	166,000
Employee contributions	76,000	68,000
Actuarial (gain)/loss	(970,000)	(3,779,000)
Benefits paid	(156,000)	(160,000)
At 31 August	<u>6,314,000</u>	<u>6,700,000</u>

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

	2023 £	2022 £
At 1 September	5,347,000	5,372,000
Expected return on assets	234,000	91,000
Actuarial (loss)/gain	74,000	(389,000)
Employer contributions	403,000	365,000
Employee contributions	76,000	68,000
Benefits paid	(156,000)	(160,000)
At 31 August	<u>5,978,000</u>	<u>5,347,000</u>

27 Contingent liabilities

Guaranteed Minimum Pension (GMP) Equalisation is a requirement to equalise the Guaranteed Minimum Pension benefits accrued between 1990 and 1997 from contracting out of the State Earnings Related Pension Scheme based on the principles outlined in the judgement of the "Lloyds Bank" High Court case in October 2018. The actuarial valuation prepared for the Local Government Pension Scheme (as disclosed in Note 25) does not currently include an adjustment for GMP Equalisation, as the fund actuary considers that a 'trigger event' is yet to occur in the LGPS. The trigger event referred to in this instance is that Government are yet to confirm the long term solution and hence the potential impact of GMP equalisation remains an unknown. In view of this continuing uncertainty, no provision has been made in these financial statements in relation to this matter.

28 Related Party Transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures.