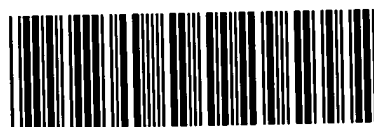


Company registration number 07536911 (England and Wales)

**CORFE HILLS SCHOOL ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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COMPANIES HOUSE

# **CORFE HILLS SCHOOL ACADEMY TRUST**

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# CORFE HILLS SCHOOL ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

Dame A Brooke  
E Coviello  
C Foster  
S Jefferies  
S Jordan  
P Keen  
P Zimmerman

### Governors

N Beckett (Appointed 7 December 2022)  
S Charman (Chair of Governors from 23 September 2023) (Chair of Audit & Risk Committee until 10 October 2023)  
A Child  
E Coviello (Chair of Finance and Resources Committee)  
S Eden (Resigned 10 July 2023)  
Dr M Grigsby (Appointed 7 December 2022)  
E Henry (Resigned 6 September 2023)  
S Jordan (Resigned 31 January 2023)  
A Maxey (Chair of Audit & Risk Committee from 11 October 2023)  
J McBain (Chair of Governors) (Retired 26 September 2023)  
R Mutlow  
J Sankey (Headteacher, appointed as Governor 7 December 2022)  
A Sutton (Staff Governor)  
P Warman  
P Zimmerman

### Clerk to Governors

A Bicker

### Senior management team

- Headteacher	J Sankey
- Deputy Head Teacher	S Jones
- Assistant Headteacher	L Andow (appointment 1 September 2022)
- Assistant Headteacher	R Hardy
- Associate Assistant Head	D Walkey
- Associate Assistant Head	N Borley (appointment 1 September 2022)
- Associate Assistant Head	D Maxwell (resigned 31 August 2023)
- School Business Manager	S Way

### Company secretary

S Way

### Company registration number

07536911 (England and Wales)

### Registered office

Corfe Hills School  
Higher Blandford Road  
Broadstone  
Dorset  
BH18 9BG

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

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### **Independent auditor**

Moore (South) LLP  
33 The Clarendon Centre  
Salisbury Business Park  
Dairy Meadow Lane  
Salisbury  
Wiltshire  
SP1 2TJ

### **Bankers**

HSBC Bank  
Dorset Commercial Centre  
59 Old Christchurch Road  
Bournemouth  
Dorset  
BH1 1EH

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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The governors present their annual report together with the accounts and independent auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

#### Principal activities

The principal activity of the Corfe Hills School Academy Trust is to "advance for the public benefit education in the United Kingdom in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum."

The trust operates an academy for pupils aged 13 to 18 serving a catchment area in Poole and East Dorset. It has a pupil capacity of 1500 and had a roll of 921 in the school census on 7 October 2022 (2021: 888).

#### **Structure, governance and management**

##### Constitution

The trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association and the Funding Agreement between the trust and the Secretary of State for Education are the primary governing documents of the trust. The trustees of Corfe Hills School Academy Trust are also the directors of the charitable company for the purposes of company law. They are known as governors. The charitable company operates as Corfe Hills School.

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

##### Members' liability

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

##### Governors' indemnities

The trust is a member of the Department for Education's Risk Protection Arrangement, which includes governors' liability cover of £10,000,000 and a fidelity guarantee of £500,000.

##### Method of recruitment and appointment or election of governors

Under the Articles of Association the trust may appoint up to 20 governors all of whom serve as trustees and members of the Governing Body for a period of four years. Of these there must be a minimum of two parent governors. The Headteacher may also be appointed as a trustee. Employee trustees must not exceed one third of the total number of trustees.

- Parent governors should be parents of a registered pupil of the school at the time of the election. Should there be a greater number of applicants than the vacancies available, a secret ballot of parents of all registered pupils will be held.
- The Governing Body also has the power to appoint co-opted governors. Generally co-opted governors will be appointed for a term of four years to provide specific skills or experience to assist the deliberations of governors in specific areas of the school's activities.

##### Policies and procedures adopted for the induction and training of governors

Induction Packs are provided specific to the structure and needs of the trust and training is provided with specialist staff within the school.

The Academy trust subscribes to the National Governance Association. The organisation provides relevant training courses and advice which enable governors to develop the knowledge, skills and understanding required to meet their responsibilities.

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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### Organisational structure

The Full Governing Body has planned meetings at least twice in each term and more often if necessary. The purpose of the meetings is to discuss, agree and assess issues such as the strategic direction of the school, the levels of performance expected, the annual financial budget and the statutory policies that the school is required to have in place. There are committees covering Standards and Curriculum; Finance & Resources; Personnel; and Audit and Risk which meet at least once per term to discuss specific areas of the school's activities, receive presentations from external sources and school staff on specific activities and make, where necessary, appropriate representations to the Full Governing Body. The terms of reference for these Committees are detailed in the Governing Body's Terms of Reference. In addition to these committees, working groups are set up as required to consider specific areas of business and report to the Full Governing Body for decision. The Governing Body has also appointed governors with specific responsibilities, including special educational needs, safeguarding, premises and health and safety.

The Governing Body has delegated to the Headteacher and the Senior Leadership Team responsibility for the internal organisation, management and control of the school and implementation of the agreed school policies and strategies, providing the Governing Body with sufficient data to enable it to monitor and assess the success of this implementation.

The Headteacher has been appointed Accounting Officer of the Academy.

The Governing Body has appointed an experienced qualified independent accountant to carry out a programme of internal scrutiny and provide independent assurance to the board that its financial and non-financial controls and risk management procedures are operating effectively. The programme includes reviewing compliance with and advising the governors on the requirements of the Academy Trust Handbook and the Academy Trust's Funding Agreement. The internal scrutineer submits formal reports for review by the Audit and Risk Committee. Further information is provided within the risk and control framework section of the Governance Statement.

### Arrangements for setting pay and remuneration of key management personnel

Key management personnel includes governors and those staff who are members of the Leadership Team who have significant authority or responsibility for the day-to-day running of the academy trust. Governors are not remunerated for their role as governors and those who are also employees of the school are remunerated in accordance with the pay scale set for the staff role in which they are employed. The Headteacher's and other senior teachers' remuneration is set by the governors in accordance with the school teachers' pay and conditions document.

# CORFE HILLS SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### Trade union facility time

#### *Relevant union officials*

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

2

Full-time equivalent employee number

2.00

#### *Percentage of time spent on facility time*

Percentage of time

Number of employees

0%

2

1%-50%

-

51%-99%

-

100%

-

#### *Percentage of pay bill spent on facility time*

Total cost of facility time

-

Total pay bill

4,585,536

Percentage of the total pay bill spent on facility time

-

#### *Paid trade union activities*

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

-

### Related parties and other connected charities and organisations

Corfe Hills School Academy Trust is not connected to any other organisations. The Corfe Hills School Association, also known as Friends of Corfe Hills, is a related party and operates separately to support the school. The CHSA is funded by parent contributions and fundraising activities. Separate accounts are produced on an annual basis.

### **Objectives and activities**

The school's guiding principles are underpinned by the motto:

High Expectations : Exceptional Individuals

### Objects and aims

Corfe Hills School Academy Trust runs a 13-18, co-educational comprehensive school with 939 pupils on roll as at October 2023 (October 2022: 921). It is in a three-tier pyramid with three middle and six first schools. Whilst Corfe Hills is situated within the Bournemouth, Christchurch & Poole local authority some of its feeder schools are in the Dorset local authority. Apart from Corfe Hills where pupils join at 13+, all secondary schools within Bournemouth, Christchurch & Poole transfer at 11+; two of these schools are selective.

#### **Objects**

The Academy's objects are:

- to advance for the public benefit education by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum

The Academy aims to:

- to provide outstanding education in an excellent dynamic, creative learning environment.
- to enable high levels of academic achievement and progress for all students.
- to use the learning environment to develop in students, considerate and ethical personal standards.
- to provide a full range of exciting, enjoyable and meaningful learning experiences including those that develop understanding, tolerance and embrace equality.

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### Objectives, strategies and activities

The School Improvement Plan is kept under review with an annual update each September. Specific objectives agreed for the year ended 31 August 2023 were to:

- Embed a culture of excellence and cultivate a drive for constant improvement in all members of the Corfe Hills community.
- Deliver an exceptional sixth form education and become the destination of choice in the local area.
- Develop and implement a high-quality bespoke professional development programme.
- Implement a financial plan which demonstrates how the school will resource the growth in student numbers.
- Increase student recruitment through more effective marketing and collaborative work with feeder schools.
- Take steps towards joining a Multi Academy Trust that will bring about significant educational benefit for current and future students.
- Ensure our curriculum offer meets the needs of our community and provides continuity at key transition points.
- Remove variation in the implementation of the CH 'Principles of Teaching' and lesson structure to maximise student learning.
- Ensure actionable steps assigned during the developmental drop-in (DDI) process are robust and effective.
- Implement a reading intervention programme and embed 'We are Readers' to improve tier 2 vocabulary.
- To meet or exceed +1 for Progress 8 and +0.4 for A level value added so that students achieve their ambitious next steps.
- Remove in-school variation between student groups with a focus on disadvantaged students.
- Maximise impact of disruption free learning by embedding the behaviour policy, learning modes and providing targeted CPD.
- Increase attendance in all year groups including disadvantaged and vulnerable students through internal intervention, supported by external agencies.
- Embed cultural capital and citizenship opportunities for all students through the House system and student council.
- Develop students' characters - including their resilience, confidence and independence – and help them know how to keep physically and mentally healthy by embedding the Relationships, Sex and Health Education curriculum across all year groups.

#### Public benefit

The governors are mindful of their duty to have regard to The Charity Commission's public benefit guidance. In setting the trust's objectives and planning activities, governors have given careful consideration to this guidance.

The school provides formal and informal academic and service support – sometimes in conjunction with the Bournemouth, Christchurch and Poole Local Authority – to other schools within the local area and actively encourages the use of its premises for community events and activities.



# CORFE HILLS SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

### Strategic report

#### Achievements and performance

##### Achievements and performance

At Corfe Hills we have the highest expectations for every student and provide a wealth of opportunities inside and outside the classroom. Our students work hard, enjoy their learning and are highly successful.

Corfe Hills School was inspected by Ofsted on 14 and 15 September 2021 and judged to be 'good' in all categories following a 'requires improvement' grading in 2017. We are delighted by the strengths outlined in the report and we embrace the areas for improvement that have been noted.

Due to the coronavirus (COVID-19) pandemic exams were cancelled in 2020 and 2021. 2023 was the first year since the pandemic that the Department for Education has published a full set of performance data with outcomes being benchmarked with the last set of pre-pandemic outcomes in 2019. The two tables below giving a comparison between 2023 outcomes and 2019 outcomes. Corfe Hills students continue to achieve excellent and improved outcomes at both GCSE and A level.

GCSE Measure	Corfe Hills 2023	Corfe Hills 2019
Grade 4 or above in English	83%	82%
Grade 4 or above in maths	80%	81%
Grade 4 or above in both English and maths	73%	71%
Grade 5 or above in English	64%	61%
Grade 5 or above in maths	55%	57%
Grade 5 or above in both English and maths	45%	48%
Progress 8	+0.19	+0.38

A-level results are also very strong and once again the vast majority of students who applied to university secured their first-choice places.

A level / Level 3 Measure	Corfe Hills 2023	Corfe Hills 2019
A* to B (or equivalent)	35%	29%
A* to C (or equivalent)	66%	59%
A* to E (or equivalent)	97%	95%

Corfe Hills provides education for students aged 13 to 18 and we have a large Sixth Form, offering an excellent range of A-level and other level 3 courses. The school's aim, whatever their stage of education, is to ensure that students are provided with the appropriate progression information to enable them, supported by staff and parents, to make the right choices.

The school offers a diverse range of learning opportunities within and outside the classroom and has a strong background in the performing arts and sport.

#### Key performance indicators

Student numbers based on the Autumn Census each year

	2022-23	2021-2
Total student numbers	921	888
Pupil teacher ratio	23.0	21.7
Teaching to non-teaching staff costs	81.8 : 18.2	77.0 : 23.0
GAG to total income	85.3%	69.3%
GAG to total income excluding capital	84.9%	89.3%
Funding per student (excluding sixth form)	5,594	5,367
Funding per student on roll in year	5,594	5,244

\* Funding per student shown on the funding statement is based on the number on roll in the previous year. During the year, the ESFA agreed to provide funding based on in-year pupil numbers. The additional funding was received after the year end, on 1 September 2023. The funding received during the year per pupil on roll was £5,594.

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### Going concern

Over recent years, the board of governors has applied close focus and taken significant actions relating to the going concern status of the trust. The board is satisfied that it has continued to take all possible action and made all necessary disclosure to continue to manage the situation. Having received confirmation of the October 2022 census figures, the ESFA agreed to make growth funding available and it was paid on 1 September 2023. The ESFA has also committed to making equivalent growth funding available for the subsequent two years. This would require the same conditions to be met as before with the additional requirement that Corfe Hills School will have joined a strong Multi Academy Trust by the end of the 2023-4 academic year. Should this funding not be provided, or a strong MAT not prove available in the time frame, the board would take the necessary alternative actions to maintain the going concern status of the trust.

#### **Financial review**

The audited accounts show a revenue deficit for the year, excluding all fixed assets and pension movements, of £81,460 (2022: deficit of £48,864). Restricted general funds decreased by £142,511 to a deficit of £297,403 (2022: decreased by £128,937 to a £154,892 deficit) while unrestricted funds increased by £61,051 to £351,880 (2022: increased by £80,073 to £290,829). At 31 August 2023, total restricted general funds, excluding pension reserves, plus unrestricted funds was in a surplus position of £54,477 (2022: surplus of £135,937).

The principal source of funding comprised grants from the Education & Skills Funding Agency (ESFA) totalling £5,453,995 (2022: £4,815,676). Expenditure of £6,749,141 (2022: £6,111,710) focussed on the delivery of education and 73% (2022: 70%) of this total was spent on direct costs. Pupil numbers in September 2022 were in line with predictions and in September 2023 slightly below predictions.

#### Reserves policy

The Balance Sheet shows total restricted reserves carried forward at the year end of £21,237,408 (2022: £21,252,202). This figure includes:

- restricted general funds deficit of £297,403 (2022: deficit £154,892)
- unrestricted general funds surplus of £351,880 (2022: £290,829)
- a defined benefit pension scheme liability of £1,006,000 (2022: £1,623,000) and
- a fixed asset reserve of £22,540,811 (2022: £23,030,094) which is only realisable through the disposal of assets or as security for a loan.

The Academy Trust aims to hold reserves in the General Fund to ensure expenditure commitments can be met, and education is not disrupted, in the event of a delay in receipt of government or other funding and to manage the consequences of reduced grant income due to falling pupil numbers. These funds are restricted and must be used in accordance with the Academy's Funding Agreement with the ESFA.

At the year end the Academy held a restricted general reserve deficit of £297,403 (2022: £154,892 deficit). It is the governors' intention to rebuild reserves towards a surplus equivalent to one month's expenditure or more as soon as reasonably possible consistent with maintaining delivery of a broad and balanced curriculum to present and future pupils.

In addition to the restricted funds, the Academy Trust has free (unrestricted) reserves of £351,880 (2022: £290,829). This has been generated mainly through the letting of school facilities.

The pension fund deficit is included within restricted funds. The governors have no control over this fund and Dorset Council manage the fund and set the contribution rates, see note 19 for future contribution rates.

#### Investment policy

Given the current uncertainties concerning future revenue sources the Academy has no current plans to invest any of its cash balances. Capital grants received in advance of expenditure are placed in an interest-bearing instant access deposit account.

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### Principal risks and uncertainties

The Academy has undertaken a full review of all its operational risks within the guidelines of the Academy Trust Handbook. The Risk Register is kept under continuous review by the governors and senior management team and scrutinised by the Audit and Risk Committee.

Local demographic changes coupled with the age of transfer change in the Borough of Poole, impacted on the number on roll of students in Year 9 being below Published Admission Number (PAN) for the first time in 2013/14. Admission numbers have been increasing since September 2021 but remain significantly below PAN, putting the school's financial situation under ongoing pressure. Staffing and other costs are actively and continuously managed.

The school ensures that health and safety and pupil safeguarding are always taken into full account in all operational matters. Regular audits are undertaken both by the school's own staff and governors and external providers.

In September 2022 the DfE Estates Efficiency Pilot Scheme funded reconfiguration and refurbishment of an entire block was completed in time for the start of the new academic year. The project converted many small rooms into 24 larger classrooms which have enhanced the teaching and learning experience.

Throughout the year, work continued on the CIF funded replacement of domestic hot and cold water services throughout the school and the final phase of heating systems. This was completed in October 2023, providing further improvements to the school environment. One bid, for the replacement of windows and external doors not included in the refurbishment, was submitted for 2023-24 CIF funding but was unsuccessful. The project has now been tendered to enable firm costs to be included in the bid for 2023-24 CIF funding. A second bid, for electrical wiring improvements is also being prepared.

There remain other areas of need for capital funding and a condition survey was carried out during August 2022 to identify the areas of highest need. In December 2022, the Department for Education confirmed that the former English block, an 8-classroom building, has been provisionally prioritised for demolition and replacement under the School Rebuilding Programme with a projected start date for the project of April 2025. In addition to this, it is estimated that over the next 10 years funding in the region of £8 million will be required.

The school recognises that its continued success relies on its committed, professional staff and effective recruitment, performance management and succession/absence planning.

The school submitted to the ESFA in July 2023 its 3-year budget forecast return, which shows significant in-year deficits in years 1 and 2 due to rising numbers on roll leading to an overall deficit of £300K in year 3. A revised 5-year financial projection was prepared at this time showing an improving position with in-year surpluses in years 4 and 5 leading to an overall surplus in year 5. The pre-16 number on roll has increased by 5.9% in September 2023 and is forecast to increase by more than 5% in September 2024. However, no growth funding has been included in the projections. The school continues to seek cost savings at every opportunity to offset inflationary pressures. The reconfiguration of classrooms has enabled staffing to be deployed more efficiently and reduce day-to-day maintenance costs, two elements that are essential to the achievement of this plan.

The Academy has been advised that the contingent liability to the Local Government Pension Fund for non-teaching staff has decreased by £617K (2022: decrease of £3,993K) during the year and at 31 August 2023 was £1,006,000 (2022: £1,623,000). There is no reason to believe that pension contributions required of the school to meet these liabilities will become unaffordable in the reasonably foreseeable future.

#### **Fundraising**

The school continues to seek and engage in appropriate fundraising activities. The school does not work with professional fundraisers. The Associate Assistant Headteacher or another member of the Leadership Team attends meetings of the Friends of Corfe Hills School (formerly known as the Corfe Hills School Association) which is a charitable parents' association that raises funds on behalf of the school. During the year, the Friends supported numerous events at the school, held second hand uniform sales and committed to donations totalling £1,270 towards improvements to the outdoor environment, the annual Dance Live! Event and food for the Breakfast Club.

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Plans for future periods**

The trust is taking the necessary steps to ensure that it continues to be able to meet its objectives against the background of a difficult financial climate. These include:

- Adjusting the staff and management structure to meet future needs
- Investigating alternative models for formal collaboration
- Actively seeking opportunities to reduce expenditure and access funding for premises improvements
- Working with the ESFA and School Resource Management Adviser to implement and further develop where possible a five-year plan that shows a balanced budget by year five.

### **Funds held as custodian trustee on behalf of others**

The trust did not hold any funds as custodian trustees during this year or the prior year.

### **Auditor**

In so far as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 06 December 2023 and signed on its behalf by:



S Charman  
Chair of Governors

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of governors;
- regular reviews by the Finance & 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;
- identification and management of risks.

The board of governors has considered the need for a specific internal audit function and has appointed an experienced qualified independent accountant as Internal Auditor to provide advice on financial matters and perform a range of checks on the Academy Trust's financial systems. The Internal Auditor agrees the schedule of work with the Audit and Risk Committee and submits a report of findings to it. The Audit and Risk Committee takes responsibility in the first instance for ensuring that findings are followed up appropriately. During the period two audits were carried out and they included:

- trust website compliance
- cash and bank
- payroll and HR
- finance team resilience and continuity
- managing budgets and updating governors on the updated forecasts
- review of data surrounding timetabling, staff contact time, PPA capacity and cover
- review of evidence of compliance with Cyber assurance conditions of cover
- review of management information reports, to include financial reporting and cashflows
- IT Team - resilience and continuity

This process has operated entirely to the satisfaction of the board of governors and has not identified any material control issues. The schedule of work was delivered as planned and no significant control deficiencies were identified. Recommendations made by the Internal Auditor have been considered and actions taken or planned.

### **Review of effectiveness**

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

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

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

Approved by order of the board of trustees on 06 December 2023 and signed on its behalf by:



S Charman  
Chair of Governors



J Sankey  
Accounting Officer

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

***FOR THE YEAR ENDED 31 AUGUST 2023***

---

As accounting officer of Corfe Hills School Academy Trust, I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place 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's 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.



J Sankey  
**Accounting Officer**

06 December 2023

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The governors (who act as trustees for Corfe Hills School Academy Trust and are also the directors of Corfe Hills School Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 06 December 2023 and signed on its behalf by:



S Charman  
Chair of trustees

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORFE HILLS SCHOOL ACADEMY TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Opinion**

We have audited the accounts of Corfe Hills School Academy Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

### **Basis for opinion**

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

### **Material uncertainty relating to going concern**

We draw attention to the going concern accounting policy in Note 1.2 to the financial statements, which references that without additional funding from the ESFA the Trust has forecast of a likely deficit reserves position (with the exclusion of pension fund and fixed asset fund) within the next twelve months. This indicates that a material uncertainty exists that may cast significant doubt on the Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

### **Other information**

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

We have nothing to report in this regard.



# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORFE HILLS SCHOOL ACADEMY TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report including the incorporated strategic report and directors' report prepared for the purpose of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the strategic report and directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the 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 or directors' report included within the trustees' report.

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

### **Responsibilities of governors**

As explained more fully in the statement of Trustees' responsibilities, the governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the governors 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 governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the accounts due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Academy Trust.

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORFE HILLS SCHOOL ACADEMY TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was identified as a significant risk to the audit, as grant income may not be recognised in accordance with the SORP.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be Academies Accounts Direction, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council, the companies act 2006 and UK Taxation legislation. We considered how the Academy Trust complies with these requirements by discussions with management and those charged with governance.
- We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and appropriate;
- confirmed monthly management accounts were reviewed by the board;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- reviewed the disclosures within the accounts to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work, to include comparison with prior periods;
- agreed a sample of grant documentation to confirm that relevant entries were reflected in the accounting records and allocated to the correct period and;
- reviewed minutes of governors meetings and confirmed income sources mentioned were included correctly within the accounts.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

# **CORFE HILLS SCHOOL ACADEMY TRUST**

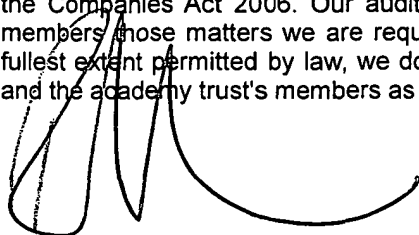
## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORFE HILLS SCHOOL ACADEMY TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **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.



**Robert MacDonald (Senior Statutory Auditor)**  
for and on behalf of Moore (South) LLP

19/12/2023

**Chartered Accountants**  
**Statutory Auditor**

33 The Clarendon Centre  
Salisbury Business Park  
Dairy Meadow Lane  
Salisbury  
Wiltshire  
SP1 2TJ

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CORFE HILLS SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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In accordance with the terms of our engagement letter dated 23 October 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 Corfe Hills School Academy Trust during the period 1 September 2022 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 Corfe Hills School Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Corfe Hills School Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Corfe Hills School Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Corfe Hills School Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Corfe Hills School Academy Trust's funding agreement with the Secretary of State for Education dated 23 March 2010 and the Academies Financial 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 period 1 September 2022 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.

The work undertaken to draw to our conclusion includes:

- consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the accounting officer and governing body;
- tests of control have been carried out on a control activity which are relevant to regularity;
- substantive testing of individual transactions

## **CORFE HILLS SCHOOL ACADEMY TRUST**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CORFE HILLS SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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#### **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 period 1 September 2022 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.

Moore (South) LLP

#### **Reporting Accountant**

Moore (South) LLP

Dated: 19/12/2023

# CORFE HILLS SCHOOL ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	3,976	-	58,578	62,554
Charitable activities:					
- Funding for educational operations	4	-	5,586,093	-	5,586,093
Other trading activities	5	278,018	155,972	-	433,990
Investments	6	1,761	-	-	1,761
<b>Total</b>		<b>283,755</b>	<b>5,742,065</b>	<b>58,578</b>	<b>6,084,398</b>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	8	222,704	6,006,139	520,298	6,749,141
<b>Total</b>	7	<b>222,704</b>	<b>6,006,139</b>	<b>520,298</b>	<b>6,749,141</b>
<b>Net income/(expenditure)</b>		<b>61,051</b>	<b>(264,074)</b>	<b>(461,720)</b>	<b>(664,743)</b>
Transfers between funds	17	-	27,563	(27,563)	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	19	-	711,000	-	711,000
<b>Net movement in funds</b>		<b>61,051</b>	<b>474,489</b>	<b>(489,283)</b>	<b>46,257</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		290,829	(1,777,892)	23,030,094	21,543,031
Total funds carried forward		351,880	(1,303,403)	22,540,811	21,589,288

# CORFE HILLS SCHOOL ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted	Restricted funds:		Total
		funds £	General £	Fixed asset £	2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	11,955	-	1,489,925	1,501,880
Charitable activities:					
- Funding for educational operations	4	-	4,938,346	-	4,938,346
Other trading activities	5	215,768	-	-	215,768
Investments	6	155	-	-	155
<b>Total</b>		<u>227,878</u>	<u>4,938,346</u>	<u>1,489,925</u>	<u>6,656,149</u>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	8	147,805	5,476,621	487,284	6,111,710
<b>Total</b>	7	<u>147,805</u>	<u>5,476,621</u>	<u>487,284</u>	<u>6,111,710</u>
<b>Net income/(expenditure)</b>		80,073	(538,275)	1,002,641	544,439
Transfers between funds	17	-	10,338	(10,338)	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	19	-	4,392,000	-	4,392,000
<b>Net movement in funds</b>		80,073	3,864,063	992,303	4,936,439
<b>Reconciliation of funds</b>					
Total funds brought forward		210,756	(5,641,955)	22,037,791	16,606,592
Total funds carried forward		<u>290,829</u>	<u>(1,777,892)</u>	<u>23,030,094</u>	<u>21,543,031</u>

# CORFE HILLS SCHOOL ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	12		22,419,491		21,881,571
<b>Current assets</b>					
Debtors	13	789,967		1,679,914	
Cash at bank and in hand		337,367		814,568	
		1,127,334		2,494,482	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(884,369)		(1,129,846)	
<b>Net current assets</b>			242,965		1,364,636
<b>Total assets less current liabilities</b>			22,662,456		23,246,207
Creditors: amounts falling due after more than one year	15		(67,168)		(80,176)
<b>Net assets before defined benefit pension scheme liability</b>			22,595,288		23,166,031
Defined benefit pension scheme liability	19		(1,006,000)		(1,623,000)
<b>Total net assets</b>			21,589,288		21,543,031
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			22,540,811		23,030,094
- Restricted income funds			(297,403)		(154,892)
- Pension reserve			(1,006,000)		(1,623,000)
<b>Total restricted funds</b>			21,237,408		21,252,202
<b>Unrestricted income funds</b>	17		351,880		290,829
<b>Total funds</b>			21,589,288		21,543,031

The accounts on pages 24 to 50 were approved by the governors and authorised for issue on 06 December 2023 and are signed on their behalf by:



S Charman  
Chair of trustees

Company registration number 07536911



# CORFE HILLS SCHOOL ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	20		533,686		714,965
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		1,761		155	
Capital grants from DfE Group		58,578		1,489,925	
Purchase of tangible fixed assets		(1,058,218)		(2,451,661)	
<b>Net cash used in investing activities</b>			(997,879)		(961,581)
<b>Cash flows from financing activities</b>					
New other loan		-		25,023	
Repayment of other loan		(13,008)		(9,701)	
<b>Net cash (used in)/provided by financing activities</b>			(13,008)		15,322
<b>Net decrease in cash and cash equivalents in the reporting period</b>			(477,201)		(231,294)
Cash and cash equivalents at beginning of the year			814,568		1,045,862
<b>Cash and cash equivalents at end of the year</b>			337,367		814,568

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

Corfe Hills School Academy Trust is a charitable company limited by guarantee incorporated in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

#### 1.1 Basis of preparation

The accounts of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### 1.2 Going concern

The Trust Board has reviewed and re-forecast its long-term funding and cost projections and considered the capital improvements required across the school. Discussions are ongoing with the ESFA for additional funding based on the growth in student numbers. From this analysis and discussion, the Trust has concluded that without this additional funding it would not have adequate available reserves to fund operations for a period at least twelve months from the date of authorisation and issue of the accounts. The Board believe that the reserves deficit forecast after the financial year 2023-24 will be improved should the ESFA issuing additional growth funding. The Trust continues to review cost saving measures, along with ongoing discussions with the ESFA to ensure that solvency will not be at risk. Cash flow forecasts have been prepared and these predict the Trust will not enter into an overdrawn bank position in the next twelve months.

For the reasons explained above the Trustees are satisfied that the accounts can be prepared on a going concern basis. However, the Trustees acknowledge that there is a material uncertainty over the Trust's long-term future due to the requirement for additional funding from the ESFA.

#### 1.3 Income

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

##### Grants

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

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

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

##### Sponsorship income

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

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### Donations

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

#### Other income

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

### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

### 1.5 Tangible fixed assets and depreciation

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

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

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

Freehold property	2% straight line
Assets under construction	No depreciation
Computer equipment	20% straight line
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	20% reducing balance

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 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 amortised cost. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.9 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 1.10 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 and the assets are held separately from those of the Academy Trust.

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. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

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 or 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.

#### 1.11 Fund accounting

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

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

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

#### 1.12 Financial Instruments

The only financial instruments held by the Academy are debtors and creditors. These are categorised as 'basic' in accordance with Section 11 of FRS 102 and are initially recognised at transaction price. These are subsequently measured at their transaction price less any impairment.

#### 1.13 Agency Arrangements

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

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

The 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.

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 2 Critical accounting estimates and areas of judgement

(Continued)

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 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 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.

#### Critical areas of judgement

On conversion to an academy trust, the asset and liabilities of the Trust are measured at fair value. This includes any buildings. The valuation of the buildings involves a significant degree of estimation, refer to Note 12 for further detail of this estimation.

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	58,578	58,578	1,489,925
Other donations	3,976	-	3,976	11,955
	<u>3,976</u>	<u>58,578</u>	<u>62,554</u>	<u>1,501,880</u>

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	5,113,600	5,113,600	4,613,352
Other DfE/ESFA grants:				
- Pupil premium	-	104,708	104,708	88,098
- Teacher pension grant	-	44,892	44,892	45,488
- Teacher pay grant	-	-	-	16,098
- Supplementary grant	-	120,524	120,524	50,218
- Maintained school additional grant	-	60,959	60,959	-
- Others	-	9,312	9,312	2,422
	-	5,453,995	5,453,995	4,815,676
<b>Other government grants</b>				
Local authority grants	-	95,360	95,360	82,912
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	36,738	36,738	39,368
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	-	-	390
	-	36,738	36,738	39,758
<b>Total funding</b>	-	5,586,093	5,586,093	4,938,346

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	22,138	-	22,138	21,526
Trips and visits	218,895	-	218,895	179,197
Other income	36,985	155,972	192,957	15,045
	278,018	155,972	433,990	215,768

£155,972 Restricted is the RPA claim income (see Note 8).

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	1,761	-	1,761	155

### 7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Academy's educational operations					
- Direct costs	3,856,779	520,298	572,626	4,949,703	4,305,514
- Allocated support costs	864,519	699,754	235,165	1,799,438	1,806,196
	4,721,298	1,220,052	807,791	6,749,141	6,111,710

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	27,207	144,399
Depreciation of tangible fixed assets	519,811	487,284
Loss on disposal of fixed assets	487	-
Fees payable to auditor for:		
- Audit	8,825	7,450
- Other services	3,550	3,122
Net interest on defined benefit pension liability	64,000	91,000

### 8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Direct costs</b>				
Educational operations	222,704	4,726,999	4,949,703	4,305,514
<b>Support costs</b>				
Educational operations	-	1,799,438	1,799,438	1,806,196
	222,704	6,526,437	6,749,141	6,111,710



# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Charitable activities

(Continued)

Analysis of costs	2023	2022
	£	£
<b>Direct costs</b>		
Teaching and educational support staff costs	3,856,779	3,381,059
Staff development	11,946	16,761
Depreciation	520,298	487,284
Technology costs	84,085	51,047
Educational supplies and services	91,101	65,237
Examination fees	135,018	112,877
Other direct costs	250,476	191,249
	<u>4,949,703</u>	<u>4,305,514</u>
<b>Support costs</b>		
Support staff costs	886,473	1,011,926
Technology costs	4,670	2,503
Maintenance of premises and equipment	348,007	141,535
Cleaning	151,340	141,563
Energy costs	121,500	106,157
Rent, rates and other occupancy costs	55,644	179,859
Insurance	23,263	21,085
Security and transport	5,237	4,085
Catering	40,096	25,535
Finance costs	64,000	91,000
Legal costs	306	-
Other support costs	84,945	70,098
Governance costs	13,957	10,850
	<u>1,799,438</u>	<u>1,806,196</u>

Included within repairs and maintenance is £156K for flood repairs funded by RPA claim.

Included in the prior year rent, rates and occupancy costs is rental of temporary classrooms.

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 9 Staff

##### Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	3,492,401	3,102,195
Social security costs	336,637	297,897
Pension costs	786,498	969,528
Staff costs - employees	4,615,536	4,369,620
Agency staff costs	105,762	20,402
	4,721,298	4,390,022
Staff development and other staff costs	33,900	19,724
Total staff expenditure	4,755,198	4,409,746

##### Staff numbers

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

	2023 Number	2022 Number
Teachers	64	57
Administration and support	72	66
Management	8	8
	144	131

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

	2023 Number	2022 Number
Teachers	40	41
Administration and support	31	30
Management	7	7
	78	78

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Staff

(Continued)

#### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u>      </u>	<u>      </u>

#### Key management personnel

The key management personnel of the Academy Trust comprise the governors and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £695,898 (2022: £623,452).

### 10 Trustees' remuneration and expenses

The Headteacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors. During the year, expenses of £350 were reimbursed to the trustees (2022: no expenses were reimbursed to the trustees).

The value of Trustees' remuneration was as follows:

#### J Sankey (Headteacher)

Remuneration £90,001 - £95,000

Employer's pension contributions £20,001 - £25,000

#### A Sutton (Other staff Governor):

Remuneration £45,001 - £50,000 (2022: £45,001 - £50,000)

Employer's pension contributions £10,001 - £15,000 (2022: £10,001 - £15,000)

Other related party transactions involving the governors are set out within the related parties note.

### 11 Trustees' and officers' insurance

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

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 12 Tangible fixed assets

	Freehold property	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 September 2022	25,132,539	283,892	292,261	285,967	31,200	26,025,859
Reclassification	283,892	(283,892)	-	-	-	-
Additions	986,408	-	58,570	13,240	-	1,058,218
Disposals	-	-	-	(6,500)	-	(6,500)
At 31 August 2023	26,402,839	-	350,831	292,707	31,200	27,077,577
<b>Depreciation</b>						
At 1 September 2022	3,657,528	-	235,452	222,574	28,734	4,144,288
On disposals	-	-	-	(6,013)	-	(6,013)
Charge for the year	466,492	-	33,793	19,032	494	519,811
At 31 August 2023	4,124,020	-	269,245	235,593	29,228	4,658,086
<b>Net book value</b>						
At 31 August 2023	22,278,819	-	81,586	57,114	1,972	22,419,491
At 31 August 2022	21,475,011	283,892	56,809	63,393	2,466	21,881,571

The freehold land and buildings were valued on the depreciated replacement cost method in an exercise undertaken by the Education Funding agency as at the 31 August 2012. The land was valued at £3,079,731 and the buildings at £15,508,092.

The academy has not obtained a separate valuation as the academies trust did not consider it an effective use of public funds to obtain an additional valuation.

During the year the academy finished capital works for improvement of the heating system and compliance with legionella requirements. The trust incurred £283,892 in the previous academic year which has been transferred from assets under construction. £984,879 was spent finalising this project, this project was fully funded by CIF.

### 13 Debtors

	2023 £	2022 £
Trade debtors	15,891	1,587
VAT recoverable	43,190	126,226
Other debtors	293,997	1,469,973
Prepayments and accrued income	436,889	82,128
	<u>789,967</u>	<u>1,679,914</u>

The amounts stated as Other debtors relate to DFE Group Capital Grant debtors.

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 14 Creditors: amounts falling due within one year

	2023 £	2022 £
Other loans	12,714	12,714
Trade creditors	209,441	267,502
Other taxation and social security	164,932	75,061
Other creditors	16,000	98,316
Accruals and deferred income	481,282	676,253
	<u>884,369</u>	<u>1,129,846</u>

### 15 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Other loans	<u>67,168</u>	<u>80,176</u>
<b>Analysis of loans</b>	<b>2023 £</b>	<b>2022 £</b>
Wholly repayable within five years	79,882	92,890
Less: included in current liabilities	<u>(12,714)</u>	<u>(12,714)</u>
Amounts included above	<u>67,168</u>	<u>80,176</u>
<b>Loan maturity</b>		
Debt due in one year or less	12,714	12,714
Due in more than one year but not more than two years	12,714	12,714
Due in more than two years but not more than five years	38,143	38,143
Due in more than five years	<u>16,311</u>	<u>29,319</u>
	<u>79,882</u>	<u>92,890</u>

Loans consist of two interest free Salix loans with an outstanding amount of £57,779 and a ESFA urgent capital support loan with an outstanding amount of £22,103 with an interest rate of 2.07%.

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 16 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	68,708	132,457
	<u>          </u>	<u>          </u>
Deferred income at 1 September 2022	132,457	84,362
Released from previous years	(132,457)	(84,362)
Resources deferred in the year	68,708	132,457
	<u>          </u>	<u>          </u>
Deferred income at 31 August 2023	68,708	132,457
	<u>          </u>	<u>          </u>

The deferred income relates to income received in the period to 31 August 2023 which relates to the year ending 31 August 2024. The above deferred income relates to the following:

Trips	£53,476
ESFA Rates Grant	<u>£15,232</u>
Total	£68,708

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Funds

	Balance at 1 September 2022 £ as restated	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(154,892)	5,113,600	(5,283,674)	27,563	(297,403)
Pupil premium	-	104,708	(104,708)	-	-
Other DfE/ESFA COVID-19 funding	-	36,738	(36,738)	-	-
Other DfE/ESFA grants	-	235,687	(235,687)	-	-
Other government grants	-	95,360	(95,360)	-	-
Other restricted funds	-	155,972	(155,972)	-	-
Pension reserve	(1,623,000)	-	(94,000)	711,000	(1,006,000)
	<u>(1,777,892)</u>	<u>5,742,065</u>	<u>(6,006,139)</u>	<u>738,563</u>	<u>(1,303,403)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	23,024,272	58,578	(518,842)	(27,563)	22,536,445
Private sector capital sponsorship	5,822	-	(1,456)	-	4,366
	<u>23,030,094</u>	<u>58,578</u>	<u>(520,298)</u>	<u>(27,563)</u>	<u>22,540,811</u>
<b>Total restricted funds</b>	<u>21,252,202</u>	<u>5,800,643</u>	<u>(6,526,437)</u>	<u>711,000</u>	<u>21,237,408</u>
<b>Unrestricted funds</b>					
General funds	249,885	273,784	(216,684)	-	306,985
Designated school fund balances	40,944	9,971	(6,020)	-	44,895
	<u>290,829</u>	<u>283,755</u>	<u>(222,704)</u>	<u>-</u>	<u>351,880</u>
<b>Total funds</b>	<u>21,543,031</u>	<u>6,084,398</u>	<u>(6,749,141)</u>	<u>711,000</u>	<u>21,589,288</u>

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

Restricted General Funds are those which supplied for a specific duty and the funds spent are only in accordance with the agreement or restricted place upon each.

# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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### **17 Funds**

**(Continued)**

Restricted Fixed Asset Funds are those assets which have been capitalised as a result of donation from the original school on conversion to an academy or assets purchased from one of the other funds since gaining academy status and transferred.

Unrestricted Funds are all other sources of income generated by the academy through trading or fundraising and to which no restrictions apply regarding the way they are spent. There is a designated school fund balance of £44,895.

Under the funding agreement with the Secretary of State, the Academy Trust is not subject to any limit on its GAG carry forward.

The Restricted Fixed Asset Fund includes a carried forward balance of £201,203 (2022 - £1,186,082) relating to CIF Grants.



# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(26,612)	4,613,352	(4,751,970)	10,338	(154,892)
Pupil premium	-	88,098	(88,098)	-	-
Other DfE/ESFA COVID-19 funding	-	39,368	(39,368)	-	-
Other Coronavirus funding	-	390	(390)	-	-
Other DfE/ESFA grants	657	114,226	(114,883)	-	-
Other government grants	-	82,912	(82,912)	-	-
Pension reserve	(5,616,000)	-	(399,000)	4,392,000	(1,623,000)
	<u>(5,641,955)</u>	<u>4,938,346</u>	<u>(5,476,621)</u>	<u>4,402,338</u>	<u>(1,777,892)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	22,023,891	1,489,925	(479,206)	(10,338)	23,024,272
Private sector capital sponsorship	13,900	-	(8,078)	-	5,822
	<u>22,037,791</u>	<u>1,489,925</u>	<u>(487,284)</u>	<u>(10,338)</u>	<u>23,030,094</u>
<b>Total restricted funds</b>	<u>16,395,836</u>	<u>6,428,271</u>	<u>(5,963,905)</u>	<u>4,392,000</u>	<u>21,252,202</u>
<b>Unrestricted funds</b>					
General funds	210,756	227,878	(147,805)	(40,944)	249,885
Designated school fund balances	-	-	-	40,944	40,944
	<u>210,756</u>	<u>227,878</u>	<u>(147,805)</u>	<u>-</u>	<u>290,829</u>
<b>Total funds</b>	<u>16,606,592</u>	<u>6,656,149</u>	<u>(6,111,710)</u>	<u>4,392,000</u>	<u>21,543,031</u>

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Analysis of net assets between funds

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	22,419,491	22,419,491
Current assets	405,356	520,776	201,202	1,127,334
Current liabilities	(53,476)	(818,179)	(12,714)	(884,369)
Non-current liabilities	-	-	(67,168)	(67,168)
Pension scheme liability	-	(1,006,000)	-	(1,006,000)
<b>Total net assets</b>	<b>351,880</b>	<b>(1,303,403)</b>	<b>22,540,811</b>	<b>21,589,288</b>

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	21,881,571	21,881,571
Current assets	404,590	414,448	1,675,444	2,494,482
Current liabilities	(113,761)	(569,340)	(446,745)	(1,129,846)
Non-current liabilities	-	-	(80,176)	(80,176)
Pension scheme liability	-	(1,623,000)	-	(1,623,000)
<b>Total net assets</b>	<b>290,829</b>	<b>(1,777,892)</b>	<b>23,030,094</b>	<b>21,543,031</b>

### 19 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Dorset County Council. 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 related to the period ended 31 March 2020 (replacing the valuation dated 31 March 2016) and of the LGPS 31 March 2022.

Contributions amounting to £84,822 (2022: £Nil) were payable to the schemes at 31 August 2023 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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.

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Pension and similar obligations

(Continued)

##### 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 2020. The valuation report was published by the Department for Education on 26 October 2023. The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019.

Key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge).
- 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.

The 2020 valuation result is due to be implemented from 1 April 2024. Published outcomes of the valuation of the Teachers' Pension Scheme based upon 2020 data include:

- employer contribution rates increasing to 28.6% from 1 April 2024.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI.

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

The pension costs paid to the TPS in the period amounted to £549,111 (2022: £496,111).

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 an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates are set out below for employers and are between 5.5% and 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £216,000 (2023: £207,000) as per the FRS102 report.

The level of employer contributions have been set as follows to assist in reducing the pension deficit:

Period (1 April - 31 March)	Employer Primary Contribution Rate
2022/23	23.6%
2023/24	23.6%
2024/25	23.6%

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Pension and similar obligations

(Continued)

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

Total contributions made	2023 £	2022 £
Employer's contributions	207,000	167,000
Employees' contributions	56,000	47,000
Total contributions	263,000	214,000

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.85	3.95
Rate of increase for pensions in payment/inflation	2.85	2.95
Discount rate for scheme liabilities	5.30	4.25
Inflation assumption (CPI)	2.85	2.95

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

	2023 Years	2022 Years
Retiring today		
- Males	21.8	22.1
- Females	23.9	24.2
Retiring in 20 years		
- Males	23.1	23.4
- Females	25.3	25.6

Scheme liabilities would have been affected by changes in assumptions as follows:

	2023 £000's	2022 £000's
Discount rate + 0.1%	(95)	(100)
Discount rate - 0.1%	98	131
Mortality assumption + 1 year	143	160
Mortality assumption - 1 year	(2)	(156)
CPI rate + 0.1%	5	10
CPI rate - 0.1%	(5)	(10)

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 19 Pension and similar obligations

(Continued)

Defined benefit pension scheme net liability	2023 £	2022 £
Scheme assets	4,006,000	3,707,000
Scheme obligations	(5,012,000)	(5,330,000)
Net liability	(1,006,000)	(1,623,000)

#### The Academy Trust's share of the assets in the scheme

	2023 Fair value £	2022 Fair value £
Equities	2,474,000	1,998,000
Gilts	535,000	824,000
Cash	59,000	57,000
Property	351,000	383,000
Other assets	587,000	445,000
Total market value of assets	4,006,000	3,707,000

The actual return on scheme assets was £200,000 (2022: £(160,000)).

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	30,000	303,000
Past service cost	-	5,000
Interest income	(160,000)	(63,000)
Interest cost	224,000	154,000
Benefit changes, curtailments and settlements gains or losses	(2,000)	-
Administration expenses	2,000	-
Total operating charge	94,000	399,000

#### Changes in the present value of defined benefit obligations

	2023 £
At 1 September 2022	5,330,000
Current service cost	235,000
Interest cost	224,000
Employee contributions	56,000
Actuarial gain	(671,000)
Benefits paid	(162,000)
At 31 August 2023	5,012,000

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 19 Pension and similar obligations (Continued)

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

	2023 £
At 1 September 2022	3,707,000
Interest income	160,000
Actuarial (gain)/loss	40,000
Employer contributions	207,000
Employee contributions	56,000
Benefits paid	(162,000)
Effect of non-routine settlements and administration expenses	(2,000)
At 31 August 2023	4,006,000

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

	Notes	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(664,743)	544,439
Adjusted for:			
Capital grants from DfE and other capital income		(58,578)	(1,489,925)
Investment income receivable	6	(1,761)	(155)
Defined benefit pension costs less contributions payable	19	30,000	308,000
Defined benefit pension scheme finance cost	19	64,000	91,000
Depreciation of tangible fixed assets		519,811	487,284
Loss on disposal of fixed assets		487	-
Decrease in debtors		889,947	752,578
(Decrease)/increase in creditors		(245,477)	21,744
Net cash provided by operating activities		533,686	714,965

### 21 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	814,568	(477,201)	337,367
Loans falling due within one year	(12,714)	-	(12,714)
Loans falling due after more than one year	(80,176)	13,008	(67,168)
	721,678	(464,193)	257,485

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 22 Long-term commitments

#### Operating leases

At 31 August 2023 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amounts due within one year	18,298	17,776
Amounts due in two and five years	72,407	204
	<u>90,705</u>	<u>17,980</u>

### 23 Capital commitments

	2023 £	2022 £
Expenditure contracted for but not provided in the accounts	<u>15,680</u>	<u>925,776</u>

In 2023, the academy had contracted capital commitments at the year end in relation to one ongoing Conditional Improvement Fund (CIF) Project. In prior year there was also one project funded by Estates Efficiency Proof of Concept Grant. These were funded through grants awarded from the ESFA which are recognised in the accounts in full when receivable.

As at the 31st August 2023 the capital commitments not provided for in the accounts were as follows:

CIF Heating Works	£15,680
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As at the 31st August 2022 the capital commitments not provided for in the accounts were as follows:

CIF Heating Works	£870,444
EEP Classroom replacement	£55,332

# CORFE HILLS SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 24 Related party transactions

Owing to the nature of the Academy Trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. The following related party transactions took place in the financial period.

##### Expenditure related party transactions

Three trustees were reimbursed parking costs for offsite meetings totalling £58.80

J Sankey, the head teacher, was reimbursed travel expenditure of £130

T Sutton, a teacher was reimbursed for teaching resources purchased in the year totalling £31

M Grigsby, was paid £130 for DJ services for the leavers ball. He has provided this service for several years including before he became a governor.

- There were no amounts outstanding at 31 August 2023 (2022: nil)
- The Academy Trust made the purchase at arms' length, in accordance with its financial regulations.
- In entering into the transaction, the academy trust has complied with the requirements of the Academy Trust Handbook

A Sankey, the wife of J Sankey, the head teacher, is employed by the academy trust as a supply teacher. A Sankey's appointment was made in open competition and J Sankey was not involved in the decision-making process regarding appointment. A Sankey is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

In entering into these transactions, the Academy Trust has complied with the requirements of the Academy Trust Handbook 2022.

#### 25 Members' liability

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

#### 26 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the trust received £4,210 (2022: £8,420) and disbursed £4,942 (2022: £9,121) from the fund. An amount of £10,758 (2022: £7,280) is included in other creditors relating to undistributed funds that is repayable to ESFA.



# **CORFE HILLS SCHOOL ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of governors;
- regular reviews by the Finance & 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;
- identification and management of risks.

The board of governors has considered the need for a specific internal audit function and has appointed an experienced qualified independent accountant as Internal Auditor to provide advice on financial matters and perform a range of checks on the Academy Trust's financial systems. The Internal Auditor agrees the schedule of work with the Audit and Risk Committee and submits a report of findings to it. The Audit and Risk Committee takes responsibility in the first instance for ensuring that findings are followed up appropriately. During the period two audits were carried out and they included:

- trust website compliance
- cash and bank
- payroll and HR
- finance team resilience and continuity
- managing budgets and updating governors on the updated forecasts
- review of data surrounding timetabling, staff contact time, PPA capacity and cover
- review of evidence of compliance with Cyber assurance conditions of cover
- review of management information reports, to include financial reporting and cashflows
- IT Team - resilience and continuity

This process has operated entirely to the satisfaction of the board of governors and has not identified any material control issues. The schedule of work was delivered as planned and no significant control deficiencies were identified. Recommendations made by the Internal Auditor have been considered and actions taken or planned.

### **Review of effectiveness**

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

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

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

Approved by order of the board of trustees on 06 December 2023 and signed on its behalf by:



S Charman  
Chair of Governors

# CORFE HILLS SCHOOL ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### The risk and control framework

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