

COTHAM SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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**COTHAM SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	William Greenslade David Yorath James Bowyer Svetlana Bajic Raymond (resigned 16 March 2023) Paula Bradshaw John Bass
Governors/Trustees	Dora Alderson ^{2,3} Jack Barber ^{1,2} John Bass (resigned 22 September 2022) ^{1,2} Emma Smith ^{1,2} Fatima Mahamad Ali (resigned 17 March 2023) Joanne Butler, Headteacher ^{1,2,3} Jo Feather, Vice Chair, Chair A&S (resigned 11 December 2022) ³ Sandra Fryer, Chair ^{1,2,3} Isabel Tobias ^{2,3} Lucy Hunt ¹ Peter Huckle, Chair L&W ³ Richard Puttick, Chair P&T ^{1,2} Rebecca Reid, Vice Chair, Chair FRT ¹ Ian Spencer ¹ Sophie Hamilton Richard Storer (Resigned 21 January 2023) Daxesh Patel (Resigned 6 February 2023) Graham Nutbrown (Appointed 22 September 2022) Jane Chamberlain (Resigned 11 December 2022) Jared Rufus (Appointed 8 December 2022) Sadia Shakoor (Appointed 8 December 2022) ¹ Finance, Premises and General Purposes Committee ² Personnel and Training Committee ³ Learning and Wellbeing Committee

Company registered number	07732888
Company name	Cotham School
Principal and registered office	Cotham Lawn Road Cotham Bristol BS6 6DT
Company secretary	Allison Crossland
Accounting officer	Joanne Butler

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Senior Leadership Team

Joanne Butler, Headteacher
Christopher Reed, Deputy Headteacher KS4
Domini Agboeze, Deputy Headteacher
Abigail Van der Berg, Assistant Headteacher
Aimi Potter, Assistant Head of Post 16
Allison Crossland, Business Manager
Julia Chapman, Assistant Headteacher
Terry Watts, Assistant Headteacher
Owen Morgan, Assistant Headteacher
Oliver Knight, Associate Assistant Headteacher
Adrian Dunkley, Assistant Headteacher

Independent auditors

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Bankers

Lloyds Bank plc
284 Wells Road
Knowle
Bristol
BS4 2PY

Solicitors

VWV
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the period ended 31 August 2023. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Governing Body operates an academy for students aged 11 – 18 serving a catchment area in North Central Bristol. It has a student capacity of 1215 in years 7 – 11 and a roll of 1202, with an additional 433 students in Post 16, as per the Spring 2023 census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Cotham School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Cotham School.

On 29th September 2021 the Members passed a resolution to adopt the Department for Education Model Articles of Association for use by mainstream academies. Details of the Trustees who served throughout the period, and to the date the accounts are approved are included in the Reference and Administration Details.

Trustees' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £15,000,000.

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one loss in a membership year.

Method of recruitment and appointment or election of Trustees

The strategic management of the Academy is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association. When appointing new Governors, the board considers the skills and experience mix of existing Governors to ensure the Governing Body has the necessary skills to fully contribute to the school's development.

The term of office for any Governor shall be four years, save that this time limit shall not apply to any post held ex-officio, such as the Headteacher. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or re-elected. The Governors who were in office at 31 August 2023 and who served during the year are listed on page 1.

Policies and procedures adopted for the induction and training of Governors

When a new Governor is appointed a skills assessment is undertaken. The training and induction provided for each new Governor will be based on the skills assessment and may include training on educational, legal or financial matters. The Governing Body has access to funds to provide external training where necessary. All new Governors will be invited to meet with the Headteacher and Chair of Governors and given the opportunity

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

to have a tour of the School, and to meet with staff and students. New Governors are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role as Governors, this is through the Governor Hub portal. New Governors are also matched to a 'buddy' Governor - an experienced Governor who acts as a mentor. As there is expected to be only a small number of new Governors in any one year, induction will be carried out informally and will be tailored specifically to the individual.

Organisational Structure

The Governing Body normally meets once each term. The Governing Body establishes an overall framework for the governance of the Academy and determines Governorship, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Governing Body may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 4 main committees as follows;

- The Finance, Premises and General Purposes Committee - this meets at least five times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management.
- The Audit Committee – this is part of the Finance, Premises and General Purposes Committee and meets at least three times a year and is responsible for compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels.
- The Learning and Well-being Committee meets at least three times per year to review student achievement, wellbeing and the curriculum.
- The Personnel and Training Committee meets at least three times per year to review human resources issues including the staffing structure, professional development, and policy

The following decisions are reserved to the Governing Body; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and the Governance Professional, to approve the School Improvement Plan and budget.

The Governors are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Governors and the Governing Body have devolved responsibility for day to day management of the School to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteachers, the Director of Finance and Resources, the Director of Post 16 and the Assistant Headteachers. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The SLT controls the Academy at an executive level, implementing the policies laid down by the Governors and reporting back to them. The Headteacher, the Director of Finance and Resources and Finance, Premises and General Purposes Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff.

The Head Teacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Governors consider the governing body and the senior leadership team comprise the key management personnel of the school in charge of directing and controlling, running and operating the school on a day to day basis. All Governors give their time freely and no Governors received remuneration in the year. Details of Governors expenses and related party transactions where they exist are disclosed in the notes to the accounts.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The school complies with the School Teachers Pay and Conditions and the National Joint Council Pay and conditions in conjunction with its pay policies. The pay of the Senior Leadership Team is set in accordance with these policy documents. Once in post pay progression within is dependent upon satisfactory performance against objectives. Recommendations for pay progression, in accordance with the schools appraisal policy and pay policy are presented to the Remuneration Committee, which consists of the Chairs of the Governing Body Committees and the Chair of Governors, for ratification.

The Governors benchmark against pay levels in other Academy schools of a similar size. The benchmark is the midpoint of the range paid for similar roles.

Trade union facility time

The school employed 2 employees who were relevant union officials during the year, representing 2.0 full time equivalent employees. Both of these employees spent between 1 and 50% of the time on facility time. The total cost of facility time to the Academy was £2,111 being less than 0.1% of the total pay bill of £8.0m. The time spent on paid trade union activities was 100% of the total paid facility time hours.

Related Parties and other Connected Charities and Organisations

The North Bristol Post 16 Centre is managed in a federation with Redland Green School. The Centre enables wide course choices and combinations across the two school sites, including three languages and a suite of performing arts courses. We are also able to build upon specialisms at each site to share provision for courses like Computer Science and Economics. We have extensive programmes for personal development, futures and student safety and wellbeing.

The land and buildings were transferred to the Academy from Bristol City Council who have the right to appoint a Governor.

There are no related parties which either control or significantly influence the decisions and operations of Cotham School. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

Objectives, Strategies and Activities

The principal object and activity of the charitable company is the operation of Cotham School to advance, for the public benefit, education for students of different abilities between the ages of 11 and 19.

The Governors confirm they have complied with the duty in Section 17(5) of the Charities Act 2011 and have due regard to the Charity Commission's general guidance on public benefit when reviewing the School's aims and objectives and in planning its future activities.

The main aims and objectives of the School during the year ended 31 August 2023 are summarised below:

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic Priority (governance)	SIP 2022 - 23 Priority Area (strategic lead)	Key Foci for the year
Quality of Education <i>(L&WB, Post 16)</i>	Q1: Curriculum Intent	<ul style="list-style-type: none"> • Consistent sequencing of curriculum through shared delivery plans • Explicit teaching and articulation of skills learned beyond examination. • CEIAG (curriculum) • Promoting and teaching READING so that everyone can access our curriculum. • Equity, Diversity, and Inclusion • Adaptation for SEND, EAL and LAP / HAP
	Q2: Curriculum Implementation	<ul style="list-style-type: none"> • Cotham Principles of Teaching • Reading in the classroom • Oracy - 'Voice 21 Champions' • Adaptation (scaffolding) for SEND, EAL and LAP / HAP • Home Learning
	Q3: Curriculum Impact	<ul style="list-style-type: none"> • Student progress within books • Cotham Principles of Assessment (teach-assess-plan-do-review)
	Q4: Reading	<ul style="list-style-type: none"> • Tutor reading programme. • Use of the extra Literacy hour in Y7 • Guided reading in all subjects • Use of phonics teaching
	Q5: Pupil Premium	<ul style="list-style-type: none"> • High quality teaching and learning for disadvantaged students. • In-class and subject area targeted support and intervention • Provide support for wider outcomes (e.g., behaviour and attitudes towards learning, attendance, and punctuality)
Behaviour and Attitudes <i>(L&WB, Post 16)</i>	B1: Universal provision	<ul style="list-style-type: none"> • Launch of Cotham Community Code - training for staff, students, and parent/carers • Introducing revised systems: <ul style="list-style-type: none"> ◦ immediate response to behaviours ◦ Graduated response

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

		<ul style="list-style-type: none"> Improved record-keeping of all decisions and communication home regarding behaviour concerns and actions Relaunch of rewards system Improving punctuality to school and to lessons Leadership and responsibility for behaviour at all levels Transition to Class Charts for rewards and behaviour Improve the quality of learning taking place in the withdrawal room
	B2: Targeted provision	<ul style="list-style-type: none"> Revising use of report cards Revised use of letters home from SLT and LCs Introduction of Student Support Plans (SSPs) Increased use of TAC meetings to identify and review behaviour concerns much earlier Creating inclusion referral process for timed, targeted intervention that can have measurable impact. Reviewing and establishing impact measures for all interventions Increase use of parent meetings with SLT, LCs and Behaviour Managers to enable earlier intervention with behaviour concerns
	B3: Personalised provision	<ul style="list-style-type: none"> Create role and recruit staffing for Inclusion Resource Base (IRB) Redesign venue for IRB Devise curriculum for IRB Create entry, exit, and review processes for IRB Improved quality assurance of Managed Moves and use of external Alternative Education Providers (ALPs)
	B4: Attendance	<ul style="list-style-type: none"> Compliance with statutory guidance coming into effect from September 2023 Rewriting of Attendance policy Create increased capacity in the Attendance team Improved system for reporting missing students Robust and persistent focus on accurate and timely taking of registers and reporting missing students Clear responsibilities by role around attendance Graduated response for attendance Increased celebration and raising student and parent/carers awareness of the impact of good attendance Increased use of TAC meetings to more quickly identify and review attendance concerns and actions Development of attendance mentoring programme

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Personal Development	P1: SMSC, RSE and British Values	<ul style="list-style-type: none"> • SMSC Audit and Quality Mark Award • Statutory compliance with PSHE and RSE • British Values across the curriculum • Tutor programme • Assembly programme • Restorative Practice
	P2: CEIAG	<ul style="list-style-type: none"> • CEIAG development is embedded throughout the curriculum using the Gatsby Benchmark 4: Linking Curriculum Learning and careers
	P3: Equality and Diversity	<ul style="list-style-type: none"> • Ongoing anti-racist work in the curriculum and beyond • Completion of the anti-racist school award • Further development of the work of the Pride group • Assemblies and other work with students on celebrating and understanding disability inc. learning difficulties
	P4: Enrichment	<ul style="list-style-type: none"> • Enhancing involvement in Extra Curricular Provision
Leadership, Management and Governance	L1: Safeguarding	<ul style="list-style-type: none"> • Streamlining Safeguarding systems and processes • Reviewing impact of inclusion provision • Auditing and redoing PREVENT and FGM training • Auditing and redoing Safer Handling training • Specific topics: <ul style="list-style-type: none"> ◦ Sexual harassment and abuse ◦ Online safety ◦ Mental health - specifically building resilience and managing anxiety • Improved identification and support of young carers • Increased opportunities for Safeguarding sessions for parents
	L2: Governance	<ul style="list-style-type: none"> • Whole School Strategy and Sustainability
	L3: Professional Development and Appraisal	<ul style="list-style-type: none"> • TLA Strategy and TLC CPD • CPD and PDA Strategy • ELG CPD • Digital Strategy - Staff Training for Classcharts
	L4: Quality Assurance	<ul style="list-style-type: none"> • Curriculum Intent, Implementation and Impact • Faculty Improvement Plans and PDAs •
	L5: Stakeholder Engagement	<ul style="list-style-type: none"> • Leading Parent Partnership Award • Re-establishing Somali Parent Forum • Student Leadership

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

	L6: Finance and Resources	<ul style="list-style-type: none">• HR and Staffing• Site and Facilities• Income and Expenditure• School Roll
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Public Benefit

The school aims to advance for the public benefit, education in Cotham and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and development of the school, offering a broad curriculum.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

Strategic Report

Achievements and Performance

Cotham School has high aspirations for its students and a drive for continuous improvement. The School's analysis of examination performance is thorough, and much use is made of performance and benchmarking data from a range of sources.

Analysis of public examination outcomes for the academic year 2022/2023

Key Stage 4 results

The Progress 8 measure is the key measure used internally and by the Department for Education to show improvement across whole school cohorts. This measure at its current level is in line with the current national average.

- notional P8 figure based on SISRA Data Collaboration (no data released by DfE as a result of the changes to examinations)
- Most appropriate comparison is between 2019 and 2023.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

GCSE / L2 BTEC 2021/2022 Cotham School			
ALL STUDENTS	2019	2022	2023
Progress 8	-0.07	tbc (Oct 22) +0.14	+0.10
Basics (4+ in English and Maths)	60.3%	71.5%73.1%	66.4%
Basics (5+ in English and Maths)	42.1%	56.1%57.1%	42.5%
EBACC (Standard Pass 4+/C+)	30.4%	36.0%36.3%	28.7%
EBACC (Strong Pass 5+)	21.5%	30.4%30.7%	17.0%
Attainment 8	45.96	51.7252.18	45.77
Average Grade	4.50	5.30	4.66

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Key Stage 5 results

The VA measure is the key measure used internally and by the Department for Education to show improvement across whole school cohorts. At present, this is not being reported owing to Covid examination disruptions and therefore the attainment values are the key performance indicators:

HEADLINES <i>(THREE TREND)</i>		2018		2019		2023	
		Centre	BA Cot	Centre	BA Cot	Centre	BA Cot
Average Grade	Academic	B-	C+	B-	C+	C+	C
	Applied	Dist+	Dist+	Merit+	Merit+	Merit+	Merit+
No. Students		425	194	427	212	411	191
A*-A (%)		25	15	32	26	31	24
A*-B (%)		54	45	58	51	53	45
A*-E (%)		98	97	98	97	98	97

OFSTED INSPECTION

In March 2018 the School was graded 'Good' in all categories. In October 2023 the School received an ungraded inspection. The outcome of this inspection was that the School continues to be a good school. The School is especially delighted with the many incredibly positive observations made by the inspection team about our staff and students. Key messages from the report are that:

"Cotham School is diverse and inclusive. Pupils enjoy attending. They feel safe in school and learn how to stay safe in the wider community. Pupils know that staff care about them and will help them. The values of 'respect, achievement and diversity' underpin all aspects of school life.

There are high expectations for what all pupils can achieve. The school strives to provide the same high-quality education to all pupils, regardless of their starting points or the challenges they face."

The school was only given one area for improvement:

"Sometimes the work given to pupils does not reflect the ambition of the curriculum. When this is the case, pupils cannot deepen their learning as far as they could. The school needs to ensure that the way the curriculum is taught enables pupils to build on their knowledge at the right time."

Staff will continue to work hard to ensure the best possible school experience, achievement and outcomes for each and every one of our students.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Key Performance Indicators

The main financial performance indicator is the level of revenue reserves (excluding pension reserve) held at the Balance Sheet date which at 31 August 2023 was £2,201,509 (31 August 2022: £1,792,097).

Funding based on student numbers is a key performance indicator. Student numbers for 2022/2023 were with 1202 students in Y7-11 and 433 in Post 16 (as per the Spring 2023 census). The school increased its Published Admission Number (PAN) from the academic year 2018/2019 with an intake of 243 students to Year 7 beginning in the Autumn of 2018. This has been repeated in subsequent years and will continue until each year group has the capacity to accommodate 243 students. This has provided a capacity of 1,215 in this academic year, and the school during this academic year will have reached its maximum intake capacity in Y7-11.

Other Key Performance Indicators are:

Financial Performance

- Cash balances at year end: 2023 £2,914,942 (2022: £2,680,054),
- % of revenue income from Government funds: 2023 98.2% (2022: 97.8%),
- Teachers pay as a % of income: 2023 46.8% (2022: 47.9%),
- Other staff as a % of pay: 2023 35.2% (2022: 35.4%),
- Total staff pay as a % of income: 2023 72.1% (2022: 74.2%),
- Cash and bank balances as a % of annual spending: 2023 27.2% (2022: 28.5%).

Operational Performance

- Total students on roll reported on the spring census, 1635 (April 2022: 1600),
- Full time equivalent teaching staff, 89,
- Full time equivalent non-teaching staff, 68.

Going Concern

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

FINANCIAL REVIEW

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2023, the Academy received total revenue income into the Restricted General Fund and Unrestricted Fund of £11,452,252. It incurred total revenue expenditure from these funds of £10,755,990 giving a net operating surplus of £696,262. After transferring £333,850 to the Restricted Fixed Asset Fund and after adding back the pension adjustment of £47,000, the resulting surplus for the year is £409,412 on the Restricted and Unrestricted Revenue Funds (excluding pension fund).

At 31 August 2023 the net book value of fixed assets was £20,078,109 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy. During the year capital investment was mainly in new computer equipment, improvements to outdoor space and a new building management system.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 23 to the financial statements.

The scheme of delegation was reviewed and approved during the year.

Reserves Policy

The school reviews the reserve levels annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees take into consideration the future plans of the school, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately £650,000 to £750,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide financial capacity to deal with unexpected emergencies that may occur such as emergency maintenance. Total reserves of the academy, excluding the pension deficit, amount to £22,279,618 although £20,078,109 of this is invested in fixed assets. The remaining £2,201,509 (representing £861,306 unrestricted funds and £1,340,203 unspent Restricted General fund income) is the balance that the governing body monitors in accordance with the Board's reserves policy. This represents 2.5 months of normal recurring expenditure.

The Trustees reviewed the future plans of the Academy and have designated reserves of £152,000 to install a replacement chiller and pipework to the roof in 2023/24 as this is considered to be essential works. At this stage no further reserves have been designated to projects. The impact on reserves of continued increased energy costs in 23/24 and staff pay awards needs to be fully assessed and forecast before any further reserves can be designated to projects.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

All funds surplus to immediate requirements are invested to optimal effect. Due to the nature and timing of receipt of funding, the school may at times hold cash balances surplus to its short term requirements. The Trustees have previously authorised the opening of additional bank investment accounts to take advantage of higher interest rates. The School invested £200,000 in the Virgin Charity Account and £85,000 in Cambridge and Counties. £50,000 is held on a monthly money market fixed term deposit. All other funds have been held in the Academy current account in readiness for their utilisation as part of the pavilion project.

The Trustees, Finance, Premises, and General Purposes Committee aims to ensure that funds which the School does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the schools income without risk.

The aim is to spend public monies with which the School is entrusted for the direct educational benefit of students as soon as is prudent. The School does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow.

Purposes:

- To ensure adequate cash balances are maintained in the current account to cover day-to-day working requirements
- To minimise the risk of loss in the value of any cash funds invested
- To optimise returns on invested funds

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Guidelines:

Ethical Considerations:

Cotham School operates a socially responsible investment system. This encompasses the following principles:

- Avoiding arms trade and manufacturers
- Avoiding all tobacco products
- Avoiding any company that is in violation of an international sanction
- Avoiding any company that would present a severe reputational risk to the School

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 98.2% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed a number of organisations to carry out internal scrutiny including checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. However, the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly challenged in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

The school continues to benefit from the legacy of the 'Pay it Forward' campaign with regular monetary donations from parents and carers paid into the school bank account or through the Wisepay system. In addition the school continues to receive donations of 'upcycled' goods such as spare uniforms and pre-loved books.

Fundraising has been generated through arts events such as the musical performance of Matilda.

These are very much appreciated and provide the school with additional funds to contribute towards extra equipment for students to use during social times these have included outdoor table tennis and basketball hoops.

PLANS FOR FUTURE PERIODS

Cotham strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into continuing education or employment. Cotham School has a diverse student community, the development of skills, personal attributes, creativity, sense of purpose, ambition and belonging will continue to be at the heart of the curriculum.

Recently and in the past, the Governors have scoped the potential for the School to form or join a Multi-Academy Trust. In previous years and again more recently the Governors have concluded through this scoping exercise that the needs of the school and the learning community are best served by the school remaining as a stand-alone Academy Trust at this point in time.

In 2021, the Trustees undertook a review of its Articles of Association, it is currently a Co-operative Academy but since 2012 the school and its community has changed significantly and the school has found it progressively more difficult to meet the legal requirements of the Co-operative Articles although it still retains its unreserved commitment to being a school at the heart of its community.

After careful consideration the Governors decided at their meeting on 25th February 2021, to move to the Department of Education's Standard Model of Academy Articles of Association. The Governors were very clear that the governance arrangements need to be streamlined. The Department for Education approved that Cotham School could adopt the new model Articles of Association and revised funding agreement. The new Articles of Association and Funding Agreement came into effect on 30 September 2021 and continue to support the operation of the school well.

Following the council's decision in June 2018 to refuse to register the school playing fields at Stoke Lodge as a Town and Village Green and the subsequent installation of a perimeter fence in 2019 enabling the school to successfully return to use the fields for P.E, a further Town and Village Green application was received.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The new applications were again made by local residents wishing to register the school playing fields at Stoke Lodge as a village green. This was recommended for refusal by a village green inspector appointed by the Council, and by the Council's own officers, but despite this, the Council's Public Rights of Way and Greens Committee on 28 June 2023 resolved to register the land, contrary to that advice. The Council has now registered the school's land, its playing fields, as a village green.

The School intends to apply shortly to the High Court under s.14 of the Commons Registration Act 1965 to rectify the register and in doing so remove the registration of its playing fields as a village green. This will entail a Judge of the High Court deciding whether the playing fields qualify for registration as a village green. In the meantime, the School has commenced proceedings in the High Court of Justice, Planning Court, for judicial review of the Council's decision to register the land (ref AC-2023-LON-002454) on a number of grounds.

The consequence of the registration of the school land, its playing fields, is that the School has had to open the playing fields full time to the public, with the effect being that unfettered public use means its pupils can no longer use the facility due to safeguarding issues associated with unfenced playing fields.

Until the Courts decide the issue of whether the playing fields should continue to be registered as a village green, the School has ceased to use its land and sought to use an alternative space for the provision of physical education and is no longer able to charge for the hire of its playing fields.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Neither Cotham School nor the Governors are acting as third party custodial trustees.

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 school will through an appropriate tender activity be seeking to appoint auditors as their current auditors have been in office for five years and there is a requirement to re tender as stipulated by the Academies Trust Handbook.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on and signed on its behalf by:

Sandra Fryer
Trustee

Joanne Butler
Accounting Officer

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met four times during the year. Effective oversight of funds is maintained by regular and ongoing online review and communication outside of meetings. All Trustees have access to a central online hub containing documents and messages. Attendance during the year at meetings of the Board of Trustees was as follows:

TRUSTEE	MEETINGS ATTENDED	TOTAL MEETINGS HELD WHILST IN POST
Sandra Fryer	4	4
Dora Alderson	4	4
Emma Smith	4	4
Fatima Mohammad Ali	2	2
Graham Nutbrown	4	4
Isabel Tobias	4	0
Jack Barber	4	3
Jane Chamberlin	2	1
Jo Butler	4	3
Jo Feather	2	1
John Bass	1	0
Lucy Hunt	4	2
Peter Huckle	4	2
Rebecca Reid	4	3
Jared Rufus	3	3
Richard Puttick	4	3
Sadia Shakoor	4	1
Ian Spencer	4	1
Sophie Hamilton	4	3
Richard Storer	2	0
Daxesh Patel	2	0

The Finance, Premises and General Purposes Committee is a sub-committee of the main Board of Trustees. The main responsibilities of the Finance, Premises and General Purposes Committee are detailed in the written terms of reference which have been authorised by the governing body. The main responsibilities include:

- the initial review and authorisation of the annual budget;
- the regular monitoring of actual expenditure and income against budget;
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the ESFA guidance issued to academies;
- authorising changes to the academy staffing structure in conjunction with the Personnel and Training Committee;

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

- reviewing through the audit committee element of the committee at least three times a year the audit and risk reports by those that are committee members on the Finance, Premises and General Purposes Committee that undertake the audit and risk requirements scrutinising the effectiveness of the financial procedures and controls. These reports are also to be reported to the full governing body; and
- consider resources available within the School for the management of the buildings, and make recommendations for maintenance, improvement or development of the site and playing fields.

During the year Jared Rufus and Sophie Hamilton joined the committee. Attendance at meetings in the year was as follows:

NAME OF TRUSTEE	MEETINGS ATTENDED	TOTAL MEETINGS HELD WHILST IN POST
Jo Butler	6	6
Sandra Fryer	5	6
Lucy Hunt	5	6
Rebecca Reid	5	6
John Bass	0	0
Emma Smith	4	6
Jack Barber	3	6
Ian Spencer	5	6
Jared Rufus	4	4
Sophie Hamilton	6	6

The Audit Committee is a sub-committee of the Finance, Premises and General Purposes Committee. Its purpose is to determine a programme of internal, external and risk management.

During the year Sophie Hamilton joined the committee. Attendance at meetings in the year was as follows:

NAME OF TRUSTEE	MEETINGS ATTENDED	TOTAL MEETINGS HELD WHILST IN POST
Sandra Fryer	5	6
Lucy Hunt	5	6
Rebecca Reid	5	6
John Bass	0	0
Emma Smith	4	6
Sophie Hamilton	6	6

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

REVIEW OF VALUE FOR MONEY

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

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

- Delivering strong educational results for all learners with results meeting and in some areas exceeding national averages, with a particularly consistent record of delivering 'value added' or progress which is in line and in some cases above the national average.
- Collaboration with Redland Green School to provide a wide range of subjects at Post 16 which would not be cost effective for one school alone;
- Continued use of staff appointed on a fixed term basis to undertake specific time limited projects as opposed to the use of external tutors for intervention work.
- Comprehensive continued review of the curriculum to ensure subject and class size viability.

Keeping the staffing structure and level of resource continually under review to balance the needs of providing excellent quality learning and teaching and the financial resources available. This included taking a full review of the school's staffing structure during 2018 resulting in the rationalising of a number of posts from the structure and managing down staff numbers in certain areas of the school. This rationalisation continues to take place in the consideration of each vacancy as it becomes available, reviewing the grade and the job role. In addition to this, the school outsourced its catering provision through a successful tender process with the contract awarded to Caterlink. This contract recently was rendered once again and has been awarded to ABM Limited and comes into force on 1st September 2023.

Having in place robust governance and financial controls validated by excellent internal control for the past few years and running a balanced budget enabling secure levels of reserves to be maintained for future capital investment;

Generating additional income through the increased use of school facilities by external hirers to increase non government income is an area of successful expansion for the school during 2022/2023 and the increase in income generated in this way is a key performance indicator in the school improvement plan. The school has successfully brought most of the letting customers back to Cotham post pandemic. Some did not continue with us or continue at all but where vacancies existed new customers are now working with us to use the school facilities outside of the school day and some in areas of the school that previously lettings had not taken place. This is enabling the school to increase its additional income through the expansion of the lettings potential that the school has.

Having robust procedures in place for placing of contracts and purchasing of goods and services to ensure best value for money underpins all of the activity that the school undertakes. Previous examples of this have been undertaking tendering exercises for major items of spending, these include the outsourcing of the catering services, the recent tendering for cleaning services, the renewal of the print services contract, the maintenance contract for the school playing field at Stoke Lodge. Last year this included tendering for many premises development projects to improve and maintain the facilities to meet the needs of a growing student population. In addition the school has ensured access to competitive pricing from suppliers through market testing and obtaining written quotations for any purchase in excess of £5,000.

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Cotham School for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The Academy 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 prepared using the BPS budgeting software and are reviewed and agreed by the Governing Body;
- Regular reviews by the Finance Premises and General Purposes Committee of reports which indicate financial performance against the forecasts and include major purchase plans, capital works and expenditure programme;
- A programme of external and internal and risk management.
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- To use the external audit services of Bristol City Council, One West, Delegated Services, Confederation of School Trusts and other organisations who provide the specialist audit services that the internal programme of scrutiny requires.

This decision has been made in response to the requirements of the FRC ethical standards and the Academies Financial Handbook requirements. The purpose of these organisations' audit role at Cotham includes giving advice on financial matters, compliance and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- Information Security
- Governance, specifically compliance with the requirements of the Academies Trust Handbook
- Health and Safety
- Achievement of Cyber Essentials Plus

For a minimum of three times a year the Chief Financial Officer reports to the Board of Trustees, through the Audit Committee which is part of the Finance, Premises and General Purposes Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The Academy Trust can confirm that the Audit Committee has delivered their schedule of work for 2022 - 2023 and there have been no material control issues arising as a result of the internal audit work each organisation has undertaken on behalf of the Trust. This is as detailed in the committee minutes and in the audit report provided to the committee.

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 internal audits undertaken throughout the year and the external audit undertaken at the financial year end.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Premises and General Purposes Committee which includes the audit committee and a plan to address their recommendation and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees and signed on their behalf by:

Sandra Fryer
Trustee
Date:

Joanne Butler
Accounting Officer
Date:

COTHAM SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Cotham School I have considered my responsibility to notify the Academy 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 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, including responsibilities for estates safety and management.

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

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.

Joanne Butler
Accounting Officer
Date:

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

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

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

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

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

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

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

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

Sandra Fryer
Trustee
Date:

Joanne Butler
Accounting Officer
Date:

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF COTHAM SCHOOL

OPINION

We have audited the financial statements of Cotham School (the 'academy') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF COTHAM SCHOOL (CONTINUED)

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF COTHAM SCHOOL (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team who also considered any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF COTHAM SCHOOL (CONTINUED)

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

This report is made solely to the Academy'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's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Butler FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date:

**COTHAM SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO COTHAM
SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 27th 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 Cotham School during the year 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 Cotham School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Cotham School 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 Cotham School and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF COTHAM SCHOOL'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Cotham School's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO COTHAM SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

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's income and expenditure.

The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;

Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

**COTHAM SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO COTHAM
SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date:

COTHAM SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	-	18,699	140,734	159,433	62,750
Other trading activities		96,448	-	-	96,448	96,842
Investments	6	3,451	-	-	3,451	1,310
Charitable activities		64,860	11,268,794	-	11,333,654	10,122,542
Total income		164,759	11,287,493	140,734	11,592,986	10,283,444
Expenditure on:						
Charitable activities		66,584	10,689,406	629,099	11,385,089	10,575,473
Total expenditure		66,584	10,689,406	629,099	11,385,089	10,575,473
NET INCOME/ (EXPENDITURE)		98,175	598,087	(488,365)	207,897	(292,029)
Transfers between funds	16	-	(333,850)	333,850	-	-
Net movement in funds before other recognised gains/(losses)		98,175	264,237	(154,515)	207,897	(292,029)
Actuarial gains on defined benefit pension schemes	22	-	1,039,000	-	1,039,000	5,143,000
Net movement in funds		98,175	1,303,237	(154,515)	1,246,897	4,850,971
Reconciliation of funds:						
Total funds brought forward		763,131	(1,335,034)	20,232,624	19,660,721	14,809,750
Net movement in funds		98,175	1,303,237	(154,515)	1,246,897	4,850,971
Total funds carried forward		861,306	(31,797)	20,078,109	20,907,618	19,660,721

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

The notes on pages 34 to 56 form part of these financial statements.

COTHAM SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07732888

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	20,078,109	20,232,624
Current assets			
Debtors	14	516,471	378,751
Cash at bank and in hand		2,914,942	2,680,054
		<u>3,431,413</u>	<u>3,058,805</u>
Creditors: amounts falling due within one year	15	(1,229,904)	(1,266,708)
Net current assets		<u>2,201,509</u>	<u>1,792,097</u>
Total assets less current liabilities		<u>22,279,618</u>	<u>22,024,721</u>
Defined benefit pension scheme liability	22	(1,372,000)	(2,364,000)
Total net assets		<u><u>20,907,618</u></u>	<u><u>19,660,721</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	20,078,109	20,232,624
Restricted income funds	16	1,340,203	1,028,966
		<u>21,418,312</u>	<u>21,261,590</u>
Restricted funds excluding pension reserve	16	21,418,312	21,261,590
Pension reserve	16	(1,372,000)	(2,364,000)
Total restricted funds	16	<u>20,046,312</u>	<u>18,897,590</u>
Unrestricted income funds	16	<u>861,306</u>	<u>763,131</u>
Total funds		<u><u>20,907,618</u></u>	<u><u>19,660,721</u></u>

The financial statements on pages 31 to 56 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Sandra Fryer
Trustee

Date:

The notes on pages 34 to 56 form part of these financial statements.

COTHAM SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	18	443,751	1,416,756
Cash flows from investing activities	19	(208,863)	(667,049)
Change in cash and cash equivalents in the year		234,888	749,707
Cash and cash equivalents at the beginning of the year		2,680,054	1,930,347
Cash and cash equivalents at the end of the year	20, 21	2,914,942	2,680,054

The notes on pages 34 to 56 form part of these financial statements

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

1.2 GOING CONCERN

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

1.3 INCOME

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME (CONTINUED)

- **Donated fixed assets (excluding transfers on conversion or into the Academy)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

1.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

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

1.6 TANGIBLE FIXED ASSETS

All assets, other than computer equipment, costing more than £2,500 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Computer equipment costing £500 or more is capitalised..

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

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

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

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight line
Furniture and equipment	- 10% straight line
Motor vehicles	- 20% straight line
Computer equipment	- 20% straight line

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

1.7 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.8 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.9 LIABILITIES

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

1.10 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Note 15 and . 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.

1.11 OPERATING LEASES

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

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

1. ACCOUNTING POLICIES (continued)

1.12 PENSIONS

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

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

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

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

1.13 AGENCY ARRANGEMENTS

The Academy acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy does not have control over the charitable application of the funds. The Academy can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 27.

The Academy acts as an agent in collecting and distributing NW24 Partnership member subscriptions. The funds received, paid and any balances held at period end are disclosed in Note 27.

1.14 FUND ACCOUNTING

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in Note 22, 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.

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	18,699	-	18,699	25,046
Capital Grants	-	140,734	140,734	37,704
	<u>18,699</u>	<u>140,734</u>	<u>159,433</u>	<u>62,750</u>
TOTAL 2022	<u>25,046</u>	<u>37,704</u>	<u>62,750</u>	

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

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
EDUCATION				
DfE/ESFA grants				
General Annual Grant	-	7,473,291	7,473,291	6,995,947
Pupil Premium	-	431,729	431,729	404,537
16-19 funding	-	2,281,839	2,281,839	1,877,083
School Supplementary Grant	-	242,288	242,288	100,205
Other DfE/ESFA Grants	-	390,567	390,567	257,273
	-	-	10,819,714	9,635,045
LOCAL AUTHORITY GRANTS				
Other Local Authority Grants	-	422,603	422,603	385,791
	-	422,603	422,603	385,791
Other income from the Academy's education	64,860	26,477	91,337	101,706
	64,860	11,268,794	11,333,654	10,122,542
TOTAL 2022	67,654	10,054,888	10,122,542	

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings	96,448	96,448	96,842

All 2022 amounts related to unrestricted funds.

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

6. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	3,451	3,451	1,310

All 2022 amounts related to unrestricted funds.

7. EXPENDITURE

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Education:					
Direct costs	5,300,231	414,139	777,089	6,491,459	5,828,247
Support costs	2,753,614	1,160,171	979,845	4,893,630	4,747,226
	<u>8,053,845</u>	<u>1,574,310</u>	<u>1,756,934</u>	<u>11,385,089</u>	<u>10,575,473</u>
TOTAL 2022	<u>8,006,708</u>	<u>1,397,208</u>	<u>1,171,557</u>	<u>10,575,473</u>	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Education	6,491,459	4,893,630	11,385,089	10,575,473
TOTAL 2022	<u>5,828,247</u>	<u>4,747,226</u>	<u>10,575,473</u>	

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Total funds 2023 £	Total funds 2022 £
Staff costs	5,300,231	4,798,420
Depreciation	414,139	384,796
Educational supplies	167,450	146,926
Examination fees	223,147	159,592
Staff development	23,576	19,787
Other costs	241,671	134,099
Supply teachers	121,245	184,627
TOTAL 2023	6,491,459	5,828,247

ANALYSIS OF SUPPORT COSTS

	Total funds 2023 £	Total funds 2022 £
Pension finance costs	104,000	126,000
Staff costs	2,753,614	3,023,661
Depreciation	215,992	198,341
Recruitment and support	67,146	43,179
Maintenance of premises and equipment	393,888	341,905
Cleaning	243,378	224,096
Rent and rates	66,766	55,031
Energy costs	364,622	193,039
Insurance	50,933	47,331
Security and transport	91,517	69,533
Catering	131,174	97,620
Technology costs	158,239	161,602
Office overheads	53,571	49,195
Legal and professional	174,576	91,029
Bank interest and charges	1,236	1,347
(Profit) / Loss on disposal of fixed assets	(1,032)	-
Governance	24,010	24,317
TOTAL 2023	4,893,630	4,747,226

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

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	29,363	25,281
Depreciation of tangible fixed assets	630,131	583,137
Fees paid to auditors for:		
- audit	12,650	11,400
- other services	2,105	2,380
	<u><u> </u></u>	<u><u> </u></u>

10. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	6,105,292	5,555,817
Social security costs	621,021	562,768
Pension costs	1,327,532	1,696,562
	<u><u>8,053,845</u></u>	<u><u>7,815,147</u></u>
Agency staff costs	121,245	184,627
Staff restructuring costs	-	6,934
	<u><u>8,175,090</u></u>	<u><u>8,006,708</u></u>

Staff restructuring costs comprise:

	2023 £	2022 £
Severance payments	-	6,934
	<u><u>-</u></u>	<u><u>6,934</u></u>

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs are non statutory/non contractual severance payments totalling NIL (2022: £6,934). This was one individual payment.

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

10. STAFF (CONTINUED)

c. STAFF NUMBERS

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

	2023	2022
	No.	No.
Teachers	92	87
Administration and Support	102	98
Management	10	9
	204	194

In 2022, the calculation to determine the average number of employees during the year was revised to include both permanent and casual staff. Previously, it was only the permanent staff that were included.

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Teachers	81	75
Administration and Support	67	68
Management	9	8
	157	151

d. HIGHER PAID STAFF

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	4	2
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	-
In the band £110,001 - £120,000	1	1

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £923,341 (2022 - £784,952).

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

11. 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 under their contracts of employment, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as Governors. The value of Governors' remuneration and other benefits was as follows: J Butler: Remuneration £115,000 - £120,000 (2022: £110,000 - £115,000), Employer's pension contributions £25,000 - £30,000 (2022: £25,000 - £30,000); J Barber: Remuneration £40,000 - £45,000 (2022: £35,000 - £40,000), Employer's pension contributions £10,000 - £15,000 (2022: £5,000 - £10,000); E Sheppard: Remuneration £NIL (2022: £10,000 - £15,000), Employer's pension contributions £NIL (2022: £0 - £5,000); I Spencer: Remuneration £0 - £5,000 (2022: £5,000 - £10,000), Employer's pension contributions £0 - £5,000 (2022: £0 - £5,000); J Rufus: Remuneration £20,000 - £25,000 (2022: £NIL); Employer's pension contributions £0 - £5,000 (2022: NIL); S Shakoor: Remuneration £30,000 - £35,000 (2022: £NIL); Employer's pension contributions £0 - £5,000 (2022: NIL).

During the year ended 31 August 2023, expenses totalling £808 were reimbursed or paid directly to 3 Trustees (2022 - £1,419 to 5 Trustees).

12. TRUSTEES' AND OFFICERS' INSURANCE

The Academy 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 Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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

13. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Furniture & equipment £	Plant & machinery £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION						
At 1 September 2022	22,179,790	766,406	341,017	1,408,505	33,695	24,729,413
Additions	-	173,836	99,426	194,491	10,000	477,753
Disposals	-	-	-	(119,955)	(4,750)	(124,705)
At 31 August 2023	22,179,790	940,242	440,443	1,483,041	38,945	25,082,461
DEPRECIATION						
At 1 September 2022	3,123,038	210,254	151,566	1,004,170	7,761	4,496,789
Charge for the year	372,025	70,948	29,659	151,218	6,281	630,131
On disposals	-	-	-	(119,955)	(2,613)	(122,568)
At 31 August 2023	3,495,063	281,202	181,225	1,035,433	11,429	5,004,352
NET BOOK VALUE						
At 31 August 2023	18,684,727	659,040	259,218	447,608	27,516	20,078,109
At 31 August 2022	19,056,752	556,152	189,451	404,335	25,934	20,232,624

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

14. DEBTORS

	2023	2022
	£	£
DUE WITHIN ONE YEAR		
Trade debtors	10,039	12,148
Other debtors	5,509	3,502
Prepayments and accrued income	360,474	232,072
VAT recoverable	140,449	131,029
	516,471	378,751

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	381,839	440,629
Other taxation and social security	153,095	133,179
Other creditors	400,482	316,441
Accruals and deferred income	294,488	376,459
	1,229,904	1,266,708

	2023	2022
	£	£
Deferred income at 1 September 2022	900	31,981
Resources deferred during the year	13,850	900
Amounts released from previous periods	(900)	(31,981)
Deferred income at 31 August 2022	13,850	900

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

16. STATEMENT OF FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS						
General Funds - all funds	763,131	164,759	(66,584)	-	-	861,306
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	996,597	9,755,130	(9,092,534)	(333,850)	-	1,325,343
Pupil Premium	-	431,729	(431,729)	-	-	-
Other DfE/ESFA Grants	-	632,855	(632,855)	-	-	-
Other Government Grants	-	422,603	(422,603)	-	-	-
Other restricted funding	13,144	45,176	(43,460)	-	-	14,860
Other ESFA COVID funding	19,225	-	(19,225)	-	-	-
Pension reserve	(2,364,000)	-	(47,000)	-	1,039,000	(1,372,000)
	(1,335,034)	11,287,493	(10,689,406)	(333,850)	1,039,000	(31,797)

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

16. STATEMENT OF FUNDS (CONTINUED)

**RESTRICTED
FIXED ASSET
FUNDS**

Fixed assets transferred on conversion	15,009,784	-	-	-	-	15,009,784
Fixed assets purchased from GAG	1,537,016	-	(443,782)	333,850	-	1,427,084
DfE/ESFA Capital Grants	1,108,994	92,958	(62,911)	-	-	1,139,041
Local Authority Grants	133,072	-	-	-	-	133,072
Local Authority Donations	2,443,758	-	(122,406)	-	-	2,321,352
Wolfson Foundation Grants	-	47,776	-	-	-	47,776
	20,232,624	140,734	(629,099)	333,850	-	20,078,109
TOTAL RESTRICTED FUNDS	18,897,590	11,428,227	(11,318,505)	-	1,039,000	20,046,312
TOTAL FUNDS	19,660,721	11,592,986	(11,385,089)	-	1,039,000	20,907,618

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

General Annual Grant (GAG) is the main grant receivable from the Education and Skills Funding Agency (ESFA) and is used for the Academy's normal running costs. Under the Funding Agreement with the Secretary of State, GAG funding is restricted for use only on the Academy's educational operations. Pupil Premium funding is additional funding from the ESFA to raise the attainment of disadvantaged pupils.

Other grants include funding for statemented support and Catch Up funding. This income is restricted based on the requirements of the specific grant arrangements. The pension fund also sits in restricted funds, further details can be found in note 23. These are restricted as these resources were provided with specific restrictions imposed by the funder or donor.

Unrestricted funds include lettings income and investment income.

The restricted fixed asset funds comprise funding provided by the ESFA and Local Authority to support capital expenditure. It is restricted for use on capital items for the Academy's educational operations.

The transfer of £333,850 (2022: £668,359) between the restricted funds and the restricted fixed asset fund represents the value of fixed assets not funded by capital income, with the shortfall being funded by transfers from restricted and unrestricted funds.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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

16. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
General Funds	662,089	165,806	(64,764)	-	-	763,131
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	894,332	8,873,030	(8,102,406)	(668,359)	-	996,597
Pupil Premium	-	404,537	(404,537)	-	-	-
Other DfE/ESFA Grants	-	258,346	(258,346)	-	-	-
Other Government Grants	-	385,791	(385,791)	-	-	-
Other restricted funding	11,678	59,098	(57,632)	-	-	13,144
COVID catch-up premium	51,953	59,305	(92,033)	-	-	19,225
Other ESFA COVID funding	-	39,827	(39,827)	-	-	-
Pension reserve	(6,920,000)	-	(587,000)	-	5,143,000	(2,364,000)
	<u>(5,962,037)</u>	<u>10,079,934</u>	<u>(9,927,572)</u>	<u>(668,359)</u>	<u>5,143,000</u>	<u>(1,335,034)</u>

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

16. STATEMENT OF FUNDS (CONTINUED)

**RESTRICTED
FIXED ASSET
FUNDS**

Fixed assets transferred on conversion	15,295,503	-	(285,719)	-	-	15,009,784
Fixed assets purchased from GAG	1,031,634	5,770	(168,747)	668,359	-	1,537,016
DfE/ESFA Capital Grants	1,136,279	31,934	(59,219)	-	-	1,108,994
Local Authority Grants	150,064	-	(16,992)	-	-	133,072
Local Authority Donations	2,496,218	-	(52,460)	-	-	2,443,758
	<u>20,109,698</u>	<u>37,704</u>	<u>(583,137)</u>	<u>668,359</u>	<u>-</u>	<u>20,232,624</u>
TOTAL RESTRICTED FUNDS	<u>14,147,661</u>	<u>10,117,638</u>	<u>(10,510,709)</u>	<u>-</u>	<u>5,143,000</u>	<u>18,897,590</u>
TOTAL FUNDS	<u>14,809,750</u>	<u>10,283,444</u>	<u>(10,575,473)</u>	<u>-</u>	<u>5,143,000</u>	<u>19,660,721</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	20,078,109	20,078,109
Current assets	861,306	2,570,107	-	3,431,413
Creditors due within one year	-	(1,229,904)	-	(1,229,904)
Provisions for liabilities and charges	-	(1,372,000)	-	(1,372,000)
TOTAL	<u>861,306</u>	<u>(31,797)</u>	<u>20,078,109</u>	<u>20,907,618</u>

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

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	20,232,624	20,232,624
Current assets	763,131	2,295,674	-	3,058,805
Creditors due within one year	-	(1,266,708)	-	(1,266,708)
Provisions for liabilities and charges	-	(2,364,000)	-	(2,364,000)
TOTAL	763,131	(1,335,034)	20,232,624	19,660,721

18. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	207,897	(292,029)
ADJUSTMENTS FOR:		
Depreciation	507,563	583,137
Capital grants from DfE and other capital income	(140,734)	(37,704)
Interest receivable	(3,451)	(1,310)
Defined benefit pension scheme cost less contributions payable	(57,000)	461,000
Defined benefit pension scheme finance cost	104,000	126,000
Increase in debtors	(137,720)	114,464
Decrease in creditors	(36,804)	463,198
NET CASH PROVIDED BY OPERATING ACTIVITIES	443,751	1,416,756

19. CASH FLOWS FROM INVESTING ACTIVITIES

	2023 £	2022 £
Interest received	3,451	1,310
Purchase of tangible fixed assets	(353,048)	(706,063)
Capital grants from DfE Group	140,734	37,704
NET CASH USED IN INVESTING ACTIVITIES	(208,863)	(667,049)

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

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash at bank and in hand	2,914,942	2,680,054
TOTAL CASH AND CASH EQUIVALENTS	2,914,942	2,680,054

21. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	2,680,054	234,888	2,914,942
	2,680,054	234,888	2,914,942

22. PENSION COMMITMENTS

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

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

Contributions amounting to £152,321 were payable to the schemes at 31 August 2023 (2022 - £128,192) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

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

22. PENSION COMMITMENTS (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 key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 are:

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

The next valuation result is due to be implemented from 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £916,000 (2022 - £824,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>) for 2016 and www.teacherspensions.co.uk/news/employers/2013/10/valuation-result.aspx for 2020.

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £632,000 (2022 - £524,000), of which employer's contributions totalled £499,000 (2022 - £409,000) and employees' contributions totalled £133,000 (2022 - £115,000). The agreed contribution rates for future years are 17.4 per cent for employers and 5.5-12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

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

22. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2023	2022
	%	%
Discount rate for scheme liabilities	5.3	4.3
Rate of increase in salaries	4.3	4.3
Rate of increase in pensions in payment / inflation	2.9	2.9
Inflation assumption	2.8	2.8

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

	2023	2022
	Years	Years
Retiring today:		
Males	22	23.1
Females	24	25.3
Retiring in 20 years:		
Males	23.2	24.6
Females	25.7	27.3

SENSITIVITY ANALYSIS

	2023	2022
	£000	£000
Discount rate +0.1%	(134)	(172)
Mortality assumption - 1 year increase	144	163
CPI rate +0.1%	137	176

SHARE OF SCHEME ASSETS

The Academy's share of the assets in the scheme was:

	At 31	At 31
	August 2023	August 2022
	£	£
Equities	1,882,000	2,299,000
Government bonds	1,164,000	551,000
Other bonds	499,000	407,000
Property	356,000	407,000
Cash	57,000	17,000
Other	1,778,000	1,888,000
Total market value of assets	5,736,000	5,569,000

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

22. PENSION COMMITMENTS (CONTINUED)

The actual return on scheme assets was £124,000 (2022 - £109,000).

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

	2023 £	2022 £
Current service cost	(442,000)	(862,000)
Interest income	235,000	83,000
Interest cost	(339,000)	(209,000)
Total	(546,000)	(988,000)

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

	2023 £	2022 £
At 1 September	7,933,000	12,246,000
Current service cost	442,000	862,000
Interest cost	339,000	209,000
Employee contributions	133,000	112,000
Actuarial losses/(gains)	(1,518,000)	(5,346,000)
Benefits paid	(221,000)	(150,000)
At 31 August	7,108,000	7,933,000

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

	2023 £	2022 £
At 1 September	5,569,000	5,326,000
Interest income	248,000	94,000
Actuarial gains	(479,000)	(203,000)
Employer contributions	499,000	401,000
Employee contributions	133,000	112,000
Benefits paid	(221,000)	(150,000)
Administration expenses	(13,000)	(11,000)
At 31 August	5,736,000	5,569,000

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

23. OPERATING LEASE COMMITMENTS

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	25,047	29,363
Later than 1 year and not later than 5 years	13,236	37,179
	<u>38,283</u>	<u>66,542</u>

24. MEMBERS' LIABILITY

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

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy 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 trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

In the year, a member was employed in the school on a part time, casual basis doing both SLT and consultancy duties. The member was paid through payroll for these services. In line with the Academy Trust Handbook, members should not work in the Academy or be paid through payroll. The related party transaction was reported to the ESFA, and was less than £20,000.

26. AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2023 the Academy received £49,597 and disbursed £38,912 from the fund. An amount of £46,879 is included in other creditors relating to undistributed funds that are disburseable next year or repayable to ESFA.

The Academy collects NW24 member subscriptions and makes NW24 payments as an agent for the NW24 partnership. In the accounting period ended 31 August 2023 the Academy received £26,100 and disbursed £29,078 from the fund. An amount of £22,296 is included in other creditors relating to undistributed funds that is repayable to the NW24 Partnership.

