

Company Registration No. 07536911 (England and Wales)

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

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

CORFE HILLS SCHOOL ACADEMY TRUST

CONTENTS

| | Page |
|--|-------------|
| Reference and administrative details | 1 - 2 |
| Trustees' report | 3 - 10 |
| Governance statement | 11 - 16 |
| Statement on regularity, propriety and compliance | 17 |
| Statement of Trustees' responsibilities | 18 |
| Independent auditor's report on the accounts | 19 - 22 |
| Independent reporting accountant's report on regularity | 23 - 24 |
| Statement of financial activities including income and expenditure account | 25 - 26 |
| Balance sheet | 27 |
| Statement of cash flows | 28 |
| Notes to the accounts including accounting policies | 29 - 50 |

CORFE HILLS SCHOOL ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

A Bicker (Resigned 2 October 2020)
E Coviello (Chair of Finance and Resources Committee)
S Gavira (Resigned 4 October 2021)
S Jordan
J McBain (Chair of Governors)
R Mutlow
P Warman
P Zimmerman
A Sutton (Staff Governor)
S Charman (Chair of Audit and Risk Committee)
A Child
N Norris (Resigned 24 September 2021)
D Paterson
S Eden (Appointed 20 July 2021)
E Henry (Appointed 24 June 2021)
M Maxey (Appointed 23 June 2021)

Members

A Bicker (Resigned 2 October 2020)
E Coviello
S Jordan
P Zimmerman
Dame Annette Brooke (Appointed 19 November 2020)
C Foster (Appointed 19 November 2020)
P Keen (Appointed 24 September 2021)
S Jefferies (Appointed 21 July 2020)

Senior leadership team

- Headteacher J Sankey (Appointed 1 September 2020)
- Deputy Head Teacher S Jones (Appointed 1 September 2020)
- Assistant Headteacher T King
- Assistant Headteacher R Hardy (Appointed 1 September 2020)
- Raising Standards Leader D Walkey
- Associate Assistant Head J Harris (Appointed 1 September 2021)
- Associate Assistant Head K Gammack (Appointed 1 September 2021)
- School Business Manager S Way

Clerk to governors

A Bicker (Appointed 5 October 2020)

Company secretary

S Way

Company registration number

07536911 (England and Wales)

Registered office

Corfe Hills School
Higher Blandford Road
Broadstone
Dorset
BH18 9BG

CORFE HILLS SCHOOL ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

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

Bankers

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

CORFE HILLS SCHOOL ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The governors present their annual report together with the accounts and independent auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Principal activities

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

The trust operates an academy for pupils aged 13 to 18 serving a catchment area in Poole and East Dorset. It has a pupil capacity of 1500 and had a roll of 888 in the school census on 1 October 2021 (2020: 872).

Structure, governance and management

Constitution

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

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

Members' liability

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

Governors' indemnities

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

Method of recruitment and appointment or election of governors

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

- Parent governors should be parents of a registered pupil of the school at the time of the election. Should there be a greater number of applicants than the vacancies available a secret ballot of parents of all registered pupils will be held.

- The Governing Body also has the power to appoint co-opted governors. Generally co-opted governors will be appointed for a term of four years to provide specific skills or experience to assist the deliberations of governors in specific areas of the school's activities.

Policies and procedures adopted for the induction and training of governors

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

The Academy trust subscribes to the National Governors' Association and Sigma Teaching School Alliance. These organisations provide relevant training courses and advice which enable governors to develop the knowledge, skills and understanding required to meet their responsibilities.

CORFE HILLS SCHOOL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure

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

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

The Headteacher has been appointed accounting officer of the trust.

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

Arrangements for setting pay and remuneration of key management personnel

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

CORFE HILLS SCHOOL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trade union facility time

Relevant union officials

| | |
|--|------|
| Number of employees who were relevant union officials during the relevant period | 3 |
| Full-time equivalent employee number | 3.00 |

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | 3 |
| 1%-50% | - |
| 51%-99% | - |
| 100% | - |

Percentage of pay bill spent on facility time

| | |
|---|-----------|
| Total cost of facility time | - |
| Total pay bill | 4,144,160 |
| Percentage of the total pay bill spent on facility time | - |

Paid trade union activities

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

Related parties and other connected charities and organisations

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

Objectives and activities

The School's guiding principles are underpinned by the motto: High Expectations : Exceptional Individuals

Objects and aims

Corfe Hills School Academy Trust runs a 13-18, co-educational comprehensive school with 888 pupils on roll as at October 2021 (October 2020: 872). It is in a three-tier pyramid with three middle and six first schools. Whilst Corfe Hills is situated within the Bournemouth, Christchurch & Poole local authority some of its feeder schools are in the Dorset local authority. Apart from Corfe Hills where pupils join at 13+, all secondary schools within Bournemouth, Christchurch & Poole transfer at 11+; two of these schools are selective.

Objects

The Academy's objects are:

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

The Academy aims to:

- to provide outstanding education in an excellent dynamic, creative learning environment.
- to enable high levels of academic achievement and progress for all students.
- to use the learning environment to develop in students, considerate and ethical personal standards.

to provide a full range of exciting, enjoyable and meaningful learning experiences including those that develop understanding, tolerance and embrace equality.

CORFE HILLS SCHOOL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives, strategies and activities

The School Improvement Plan is continuously reviewed and last updated in September 2021. Specific objectives agreed were to:

- Embed a culture of excellence and cultivate a drive for constant improvement in all members of the Corfe Hills community
- To reshape Corfe Hills Sixth Form to deliver an exceptional education and become the destination of choice for Corfe Hills students
- To develop and implement a high-quality subject focussed professional development programme (KGA)
- Implement a financial recovery plan which demonstrates how the school will achieve a balanced budget and instigate the efficiencies required to accomplish this
- Increase student recruitment to Corfe Hills School through continuing to improve outcomes, more effective marketing and collaborative work with feeder schools
- To identify, and take steps towards joining, a Multi Academy Trust that will bring about significant educational benefit for current and future students of Corfe Hills School.
- Ensure our curriculum it is robust in intent and implementation to meet the needs of our community
- Remove variation in the implementation of the CH 'Principles of Teaching' and lesson structure to maximise student learning
- Ensure actionable steps assigned during the developmental drop-in (DDI) process are robust and effective
- Embed our 'We are Readers' programme to improve tier 2 vocabulary
- To meet or exceed +0.9 for Progress 8 and +0.3 for A level VA so that students achieve their ambitious next steps
- Remove in-school variation between student groups with a focus on disadvantaged students
- Ensure disruption free learning by implementing a new behaviour system, developing learning modes and providing targeted CPD
- Increase attendance in all year groups including disadvantaged and vulnerable students through internal intervention, supported by external agencies
- Embed cultural capital opportunities for all students through the House system
- Develop students' characters - including their resilience, confidence and independence – and help them know how to keep physically and mentally healthy by embedding the Relationships, Sex and Health Education curriculum across all year groups.

Public benefit

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

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

CORFE HILLS SCHOOL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

Achievements and performance

At Corfe Hills we have the highest expectations for every student and provide a wealth of opportunities inside and outside the classroom. Our students work hard, enjoy their learning and are highly successful. Corfe Hills School was inspected by Ofsted on 14 and 15 September 2021 and judged to be 'good' in all categories following a 'requires improvement' grading in 2017. We are delighted by the strengths outlined in the report and we embrace the areas for improvement that have been noted. Due to the coronavirus (COVID-19) pandemic exams were cancelled in 2020 and 2021. The Department for Education is not publishing performance data for the 2019/2020 or 2020/2021 academic years. The most recent examination data is from summer 2019:

- In 2019 GCSE progress is in the top 17% of schools nationally
- In 2019 progress in maths is in the top 4% of schools nationally

In addition to their excellent overall progress, the table below underlines just how well Corfe Hills students achieve compared with their peers:

| GCSE Measure | Corfe Hills (2019) | National (2019) |
|--|--------------------|-----------------|
| Grade 4 or above in English | 82% | 75% |
| Grade 4 or above in maths | 81% | 72% |
| Grade 4 or above in both English and maths | 71% | 65% |
| Grade 5 or above in English | 61% | 61% |
| Grade 5 or above in maths | 57% | 50% |
| Grade 5 or above in both English and maths | 48% | 41% |

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

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

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

The school responded rapidly when implementing remote learning during the third national lockdown in January 2021. Learning moved online with live lessons delivered through Microsoft Teams and students were provided with IT equipment as needed. The school remained open for vulnerable students and the children of key workers throughout the national lockdown. The school reopened for all students in March 2021 and has remained open since.

Key performance indicators

Student numbers based on the Autumn Census each year

| | | |
|--|----------------|----------------|
| | 2020-21 | 2019-20 |
| Total student numbers | 872 | 872 |
| Pupil teacher ratio | 20.7 | 17.9 |
| Teaching to non-teaching staff costs | 78.0 : 22.0 | 82.6 : 17.4 |
| GAG to total income | 54.0 | 58.5 |
| Funding per student (excluding sixth form) | 4,963 | 4,742 |

CORFE HILLS SCHOOL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Going concern

The board of governors has continued to focus attention on the financial health of the Trust by improving curriculum and other efficiencies and by continuing to manage costs whilst ensuring that all pupils receive the best education and preparation for life. Budgeted and projected positive reserves and cash balances over periods exceeding the next two years lead the board to be satisfied that it is proper for them to adopt the going concern basis in preparing the accounts.

Financial review

The audited accounts show a revenue surplus for the year, excluding all fixed assets and pension movements, of £454 (2020: deficit of £173,233). Restricted general funds decreased by £25,710 to a deficit of £25,955 (2020: decreased by £255,063 to £245 deficit) while unrestricted funds increased by £26,164 to £210,755 (2020: increased by £51,830 to £184,591). Total restricted general funds, excluding pension reserves, plus unrestricted funds at 31 August 2021 were £184,800 (2020: £184,346).

The principal source of funding comprised grants from the Education & Skills Funding Agency (ESFA) totalling £4,680,449 (2020: £4,790,758). Expenditure of £5,615,885 (2020: £5,866,915) focussed on the delivery of education and 72% (2020: 75%) of this total was spent on direct costs. Pupil numbers in September 2020 were in line with predictions. The ESFA funded a further review of staff costs by a School Resource Management Advisor who provided advice to the school in September 2020. The recommendations were considered and implemented in part, resulting in 6 redundancies. Pupil numbers in September 2021 are in line with predictions.

During the year, costs relating to COVID-19 totalled £94,310. This included £36,880 in long-term teaching staff cover and £26,741 for a canopy and additional exit doors to maintain zones and enable food to be served outside for one year group. Other costs included staffing for COVID-19 testing, additional hygiene precautions and free school meal vouchers. Staff required to shield at home provided valuable support to students working from home. COVID-19 related grants were received from the DfE and local authority totalling 97,772 in addition to which the Corfe Hills School Association, a parent body with charitable status, donated £7,000 towards the cost of the canopy.

Reserves policy

The Balance Sheet shows total restricted reserves carried forward at the year end of £16,636,672 (2020: £14,588,968). This figure includes:

- general funds deficit of £25,955 (2020: deficit £245)
- a defined benefit pension scheme liability of £5,616,000 (2020: £4,906,000) and
- a fixed asset reserve of £22,278,627 (2020: £19,495,213) which is only realisable through the disposal of assets or as security for a loan.

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

At the year end the trust held a general reserve deficit of £25,955 (2020: £245 deficit). It is the governors' intention to rebuild reserves towards a surplus equivalent to one month's expenditure or more as soon as reasonably possible consistent with maintaining delivery of a broad and balanced curriculum to present and future pupils.

In addition to the restricted funds, the trust has free (unrestricted) reserves of £210,755 (2020: £184,591). This has been generated mainly through the letting of school facilities.

Investment policy

Given the current uncertainties concerning future revenue sources the trust has no current plans to invest any of its cash balances.

CORFE HILLS SCHOOL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

The trust has undertaken a full review of all its operational risks within the guidelines of the Academies Financial Handbook (known as the Academy Trust Handbook from September 2021). The Risk Register is kept under continuous review by the governors and senior management team and scrutinised by the Audit and Risk Committee.

Local demographic changes coupled with the age of transfer change in the Borough of Poole, impacted on the number on roll of students in Year 9 being below Published Admission Number (PAN) for the first time in 2013/14. Admission numbers continue significantly below PAN, putting the school's financial situation under serious pressure. Staffing and other costs are actively and continuously managed to mitigate the impact of these income reductions.

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

The trust completed a full risk assessment prior to the return of all students in September 2020 and then again in March 2021 after the third national lockdown. The risk assessment has remained in place and has been reviewed on a regular basis since implementation. The operational changes implemented have put additional pressures on school staff. The trust has incurred significant additional costs as a result of the COVID-19 pandemic some of which are ongoing.

The school buildings are in need of extensive maintenance and refurbishment. During the year, the roofing on the single storey buildings was replaced, funded by a £2.1 million grant from the Department for Education's (DfE) Condition Improvement Fund (CIF).

In March 2021, temporary classrooms were installed to enable classroom reconfiguration works to take place. This project, funded by a £3.2 million grant from the DfE's Estates Efficiency pilot, will convert many of the smaller classrooms into larger ones more suitable for modern teaching. Start on site was delayed due to a nationwide shortage of materials such as steel and timber but is now well under way with the ground floor due for completion in February 2022 and the first floor in August 2022.

Two bids submitted for 2021-22 CIF funding were unsuccessful. The first was for the replacement of hot and cold water services alongside the second phase of heating renewal and the second was for the replacement of windows and external doors in the areas not covered by the EEP project.

Revised bids for these two projects will be submitted for 2022-23 CIF funding.

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

The trust submitted to the ESFA in July 2021 a revised 5-year financial projection, which shows an in-year and overall surplus in year 5. Deficits of £10K - £15K are forecast for years 3 and 4 and the school is seeking cost savings to enable these two years to achieve break-even. The reconfiguration of classrooms will enable staffing to be deployed more efficiently and reduce day-to-day maintenance costs, two elements that are essential to the achievement of this plan.

The trust has been advised that the contingent liability to the Local Government Pension Fund for non-teaching staff has increased by £710K (2020: increase of £965K) during the year and at 31 August 2021 was £5,616,000 (2020: £4,906,000). There is no reason to believe that pension contributions required of the trust to meet these liabilities will become unaffordable in the reasonably foreseeable future.

CORFE HILLS SCHOOL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising

The school continues to seek and engage in appropriate fundraising activities. The school does not work with professional fundraisers. The Deputy Headteacher and a governor attend meetings of the Corfe Hills School Association (CHSA) which is a charitable parents' association that raises funds on behalf of the school. Although the CHSA was unable to hold any fundraising events due to COVID-19, a successful application was submitted to the Co-op Community Fund and almost £5,000 was raised towards improving outdoor social spaces at the school. This together with other funds raised enabled the CHSA to donate £7,000 towards the canopy and £3,000 for recycled plastic picnic benches. The CHSA has also funded the installation of a new audio visual system in the school gym enabling this space to be used more flexibly.

Plans for future periods

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

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

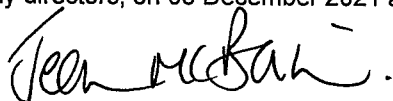
For a second year, the COVID-19 pandemic has put additional pressure on the school staff due to increased staff absence and numerous additional tasks that need to be completed as virus control measures. There is ongoing disruption to student learning due to continued transmission of COVID-19 within the community both locally and nationally. The mental health impact on both staff and student has also resulted in higher staff costs for student support and human resources. COVID-19 is having an ongoing financial impact which will affect the school's ability to achieve break-even in the immediate future.

Auditor

In so far as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 08 December 2021 and signed on its behalf by:



J McBain
Chair of Governors

CORFE HILLS SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The board of trustees, known as the full governing body or board of governors, 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 Corfe Hills School Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of governors 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 full governing body continues to meet twice each term and the Finance and Resources Committee, Standards and Curriculum Committee and Audit and Risk Committee each meet at least once every term. Personnel, Pay and Admissions panels meet when required.

The board of governors has formally met seven times during the year. Attendance during the year at meetings of the board of trustees was as follows:

| Governors | Meetings attended | Out of possible |
|---|-------------------|-----------------|
| A Bicker (Resigned 2 October 2020) | 1 | 1 |
| E Coviello (Chair of Finance and Resources Committee) | 7 | 7 |
| S Gavira (Resigned 4 October 2021) | 3 | 7 |
| S Jordan | 6 | 7 |
| J McBain (Chair of Governors) | 5 | 7 |
| R Mutlow | 6 | 7 |
| P Warman | 7 | 7 |
| P Zimmerman | 7 | 7 |
| A Sutton (Staff Governor) | 6 | 7 |
| S Charman (Chair of Audit and Risk Committee) | 7 | 7 |
| A Child | 7 | 7 |
| N Norris (Resigned 24 September 2021) | 4 | 7 |
| D Paterson | 3 | 7 |
| S Eden (Appointed 20 July 2021) | 1 | 1 |
| E Henry (Appointed 24 June 2021) | 1 | 1 |
| M Maxey (Appointed 23 June 2021) | 1 | 1 |
| P Keen (Headteacher - non trustee) (Retired 31 August 2020) | 8 | 8 |

CORFE HILLS SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

In 2020/21 the board expanded its membership to 15 by recruiting three well qualified governors (from primary school, higher education and business backgrounds). Two other governors resigned during the year and membership currently stands at 13. There are no current plans to recruit further.

The board undertakes an annual skills audit & self-review process and the strengths and areas for development are discussed at Full Governing Body meetings, governors' Time to Talk, with the Headteacher and the School Improvement Partner (SIP).

The development of the board, recruitment of new governors, the board's support of the Headteacher and Senior Leadership Team and challenge and support of the school have received positive comments from the SIP and was validated in the recent Ofsted inspection.

Further work is required on a board improvement plan, mapping training and expertise and external review. All will take place in 2021/22.

During the year, the annual skills audit & self-review process showed the board has a good range of skills covering:

- All stage educational experience – Primary to Post 16 including FE & HE
- Standards and school improvement
- Finance, Estates, Health and Safety
- Audit and Risk
- Pay and personnel

Governors challenge and support the school through the committee structure as reflected in our terms of reference.

In a year where preparation for Ofsted and joining a Multi-Academy Trust provide key challenges, the board recognises that stability and succession are important to performance and transition. To that end all committee chairs, the Chair and Vice Chair of Governors have agreed to remain in post until August 2022. All committees will discuss succession throughout the academic year and the board has elected a second Vice Chair.

An area of challenge for the board highlighted by the self-evaluation process is a need to improve stakeholder engagement, most notably with parents/carers. The board's skills coverage needs strengthening in Marketing and PR where, due to a resignation, governors do not currently provide the supporting expertise they would want.

Governors pride themselves on the quality of their challenge using all available data and there are regular governor visits to the school during working hours. Every governor has access to an online data analysis tool which enables them to review progress and attainment, providing the information necessary for them to challenge and support staff through:

- raising standards days
- departmental link visits
- committee meetings
- meetings with the school improvement partner (SIP)
- headteacher performance management and regular meetings with the headteacher

This tool links directly to the school's data management system and is current and reliable. Triangulation of the data provided is possible through the above meetings.

COVID-19 has affected the provision and scrutiny of external data. Recent SIP meetings and the Ofsted inspection satisfied the board that the data provided both internally and externally is accurate and stands up under scrutiny.

The board of governors continues to work for the best possible broad and balanced education for all students in an ever-changing educational environment. The school's rigorous culture and ethos, set by governors and Senior Leadership Team, is being applied consistently across the school. The areas identified for continued focus include improved progress and achievement, development of teaching and learning, management of finances for efficiency and sustainability, collaboration with same phase and pyramid schools and improving PR and marketing.

CORFE HILLS SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Finance and Resources Committee

The function of the Finance and Resources Committee is to ensure proper financial management of the school, receiving regular information from the School Business Manager and ensuring compliance with the Academies Financial Handbook (now the Academy Trust Handbook) issued annually by the Department for Education. This includes:

- reviewing and ensuring the improvement of a robust accounting framework, of budget preparation, and pragmatic long-term forecasting;
- monitoring and encouraging prudent use of the school's resources, especially in the acquisition of equipment, material and services, ensuring best value is achieved.
- ensuring that overall the school operates within a balanced budget, that proper provision is made for future maintenance, replacement and improvement of assets and estate, and that appropriate reserves are maintained.

The committee met formally four times during the year and informally on several other occasions. Members of the committee and their attendance at the formal meetings was as follows:

| Governors | Meetings attended | Out of possible |
|---|-------------------|-----------------|
| E Coviello (Chair of Finance and Resources Committee) | 4 | 4 |
| J McBain (Chair of Governors) | 3 | 4 |
| R Mutlow | 3 | 4 |
| P Warman | 3 | 4 |
| S Charman (Chair of Audit and Risk Committee) | 4 | 4 |
| A Child | 1 | 4 |
| N Norris (Resigned 24 September 2021) | 3 | 4 |
| P Keen (Headteacher - non trustee) | 4 | 4 |
| J Sankey | 4 | 4 |

Audit and Risk Committee

The function of the Audit and Risk Committee is to scrutinise procedures for the board to set and manage risk appetite and tolerance; ensuring that risks are aligned with strategic priorities and improvement plans and that appropriate intervention strategies are in place and embedding risk management at every level of governance. The committee directs the work of the Internal Auditor in monitoring and reporting on the financial and risk management systems that have been adopted by the school.

The committee met formally three times during the year. Members of the committee and their attendance at the formal meetings was as follows:

CORFE HILLS SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

| Governors | Meetings attended | Out of possible |
|---|-------------------|-----------------|
| S Jordan | 2 | 3 |
| J McBain (Chair of Governors) | 2 | 3 |
| R Mutlow | 2 | 3 |
| P Warman | 1 | 3 |
| S Charman (Chair of Audit and Risk Committee) | 3 | 3 |
| P Keen (Headteacher - non trustee) | 3 | 3 |
| J Sankey | 3 | 3 |

Review of value for money

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

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 governors where value for money can be improved, including the use of benchmarking data where appropriate. The examples below show how the accounting officer for the trust has delivered improved value for money during the year.

- Curriculum and staffing requirements are kept under continuous review and opportunities for making its delivery more efficient during the year were taken. Teaching staff number have been reduced to 46 full time equivalent (FTE) for the 2021-22 year (47 FTE in 2020-21). One redundancy was made on 31 December 2019, delayed from August 2019 due to COVID-19, and further savings were achieved through a combination of leavers being replaced with lower paid staff and voluntary reductions in hours. The total reduction in teaching staff costs was £60K pa. A further £17K reduction will be realised in 2023 at the end of a three-year protected pay period due to adjustments to Teaching and Learning Responsibility allowances.
- Following the advice of the School Resource Management Advisor, the cost of administrative and lunchtime supervision staffing was reduced through a combination of redundancies and reduction in hours. The annual saving from September 2021 will be £56K.
- In October 2019 the school was invited to bid for a grant from the Estates Efficiency proof of concept scheme. An application development grant of £20,000 was received from the Department for Education and used to employ consultants to prepare the specification for a reconfiguration of classrooms in the main teaching block to enable more efficient use of space. This bid was successful and the school has been awarded a grant of £3.2 million for the project which will be completed in August 2022. The larger classrooms in the reconfigured areas will improve the learning environment for both students and teachers. As part of the project, many of the windows will be replaced, providing better ventilation and increased insulation which in turn will reduce maintenance and heating costs.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 Corfe Hills School Academy Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

CORFE HILLS SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Capacity to handle risk

Through its Audit and Risk Committee, the board of governors has reviewed the key risks to which the trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of governors;
- regular reviews by the Finance & Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of governors has considered the need for a specific internal audit function and has appointed an experienced qualified independent accountant as Internal Auditor to provide advice on financial matters and perform a range of checks on the trust's financial systems. The Internal Auditor agrees the schedule of work with the Audit and Risk Committee and submits a report of findings to it. The Audit and Risk Committee takes responsibility in the first instance for ensuring that findings are followed up appropriately. During the period the COVID-19 pandemic prevented onsite visits and two of the three audits were carried out remotely. The audits included:

- review of action points raised in previous internal and external audit reports
- review of risk policy, register and procedures.
- review of governance structure, committee responsibilities and terms of reference
- review of the trust website for compliance including compliance with the Academies Financial Handbook publication requirements
- review of fraud risk

This process has operated entirely to the satisfaction of the board of governors and has not identified any material control issues. Although audits were delayed due to COVID-19, the schedule of work was delivered as planned, Recommendations made by the Internal Auditor have been considered and actions taken or planned.

Review of effectiveness

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

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

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

CORFE HILLS SCHOOL ACADEMY TRUST

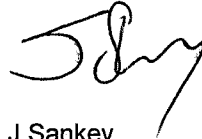
GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Approved by order of the board of trustees on 08 December 2021 and signed on its behalf by:



J McBain
Chair of Governors



J Sankey
Accounting Officer

CORFE HILLS SCHOOL ACADEMY TRUST

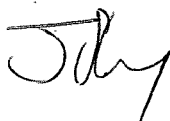
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of Corfe Hills School Academy Trust, I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust's board of trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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



J Sankey
Accounting Officer

08 December 2021

CORFE HILLS SCHOOL ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The governors (who act as trustees for Corfe Hills School Academy Trust and are also the directors of Corfe Hills School Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 08 December 2021 and signed on its behalf by:



J McBain
Chair of Governors

CORFE HILLS SCHOOL ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Corfe Hills School Academy Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The governors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and directors' report) the governance statement and the statement of regularity, propriety and compliance. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

CORFE HILLS SCHOOL ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report included within the trustees' report.

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

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

Responsibilities of governors

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

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

Auditor's responsibilities for the audit of the accounts

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

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

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.

CORFE HILLS SCHOOL ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

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

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

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was identified as a significant risk to the audit, as grant income may not be recognised in accordance with the SORP.
- We obtained an understanding of the legal and regulatory requirements applicable to the charity and we considered the most significant to be Academies Accounts Direction, the Charity SORP, UK financial reporting standards as issued by the Financial Reporting Council and UK Taxation legislation. We considered how the Academy Trust complies with these requirements by discussions with management and those charged with governance.
- We enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact of Covid-19 on the operations of the Academy Trust and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed support received through the Coronavirus support schemes, dovetailed with work undertaken on management override

To address the risk of fraud through management override we:

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

CORFE HILLS SCHOOL ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

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

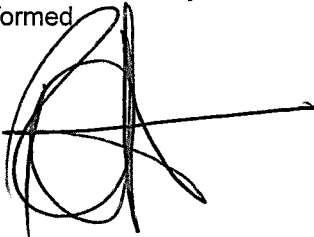
- completed analytical work;
- reviewed third party documentation to confirm that relevant entries were reflected in the accounting records and
- reviewed minutes of governors meetings and confirmed income sources mentioned were included correctly within the accounts.

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

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

Use of our report

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



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

17 December 2021

Chartered Accountants
Statutory Auditor

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

CORFE HILLS SCHOOL ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 12 August 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Corfe Hills School Academy Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Corfe Hills School Academy Trust's funding agreement with the Secretary of State for Education dated 23 March 2010 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

CORFE HILLS SCHOOL ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Moore (South) LLP

Reporting Accountant

Moore (South) LLP

Dated: 17 December 2021

CORFE HILLS SCHOOL ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

| | Notes | Unrestricted funds £ | Restricted funds: General £ | Fixed asset £ | Total 2021 £ | Total 2020 £ |
|---|-------|----------------------------|-----------------------------------|------------------|--------------------|--------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | 11,158 | 1,000 | 3,219,169 | 3,231,327 | 2,127,154 |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 4 | - | 4,825,954 | - | 4,825,954 | 4,870,087 |
| Other trading activities | 5 | 31,473 | - | - | 31,473 | 168,318 |
| Investments | 6 | - | - | - | - | 1,390 |
| Total | | 42,631 | 4,826,954 | 3,219,169 | 8,088,754 | 7,166,949 |
| Expenditure on: | | | | | | |
| Charitable activities: | | | | | | |
| - Educational operations | 8 | 16,466 | 5,166,419 | 433,000 | 5,615,885 | 5,866,915 |
| Total | 7 | 16,466 | 5,166,419 | 433,000 | 5,615,885 | 5,866,915 |
| Net income/(expenditure) | | 26,165 | (339,465) | 2,786,169 | 2,472,869 | 1,300,034 |
| Transfers between funds | 17 | - | 2,755 | (2,755) | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial losses on defined benefit pension schemes | 19 | - | (399,000) | - | (399,000) | (750,000) |
| Net movement in funds | | 26,165 | (735,710) | 2,783,414 | 2,073,869 | 550,034 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 184,591 | (4,906,245) | 19,495,213 | 14,773,559 | 14,223,525 |
| Total funds carried forward | | 210,756 | (5,641,955) | 22,278,627 | 16,847,428 | 14,773,559 |

CORFE HILLS SCHOOL ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

| Comparative year information Year ended 31 August 2020 | Notes | Unrestricted funds £ | Restricted funds: General Fixed asset £ £ | | Total 2020 £ |
|---|-------|----------------------------|---|-------------------|--------------------|
| Income and endowments from: | | | | | |
| Donations and capital grants | 3 | 4,773 | - | 2,122,381 | 2,127,154 |
| Charitable activities: | | | | | |
| - Funding for educational operations | 4 | - | 4,870,087 | - | 4,870,087 |
| Other trading activities | 5 | 168,318 | - | - | 168,318 |
| Investments | 6 | 1,390 | - | - | 1,390 |
| Total | | <u>174,481</u> | <u>4,870,087</u> | <u>2,122,381</u> | <u>7,166,949</u> |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| - Educational operations | 8 | 135,370 | 5,322,893 | 408,652 | 5,866,915 |
| Total | 7 | <u>135,370</u> | <u>5,322,893</u> | <u>408,652</u> | <u>5,866,915</u> |
| Net income/(expenditure) | | 39,111 | (452,806) | 1,713,729 | 1,300,034 |
| Transfers between funds | 17 | 12,719 | 12,743 | (25,462) | - |
| Other recognised gains/(losses) | | | | | |
| Actuarial losses on defined benefit pension schemes | 19 | - | (750,000) | - | (750,000) |
| Net movement in funds | | 51,830 | (1,190,063) | 1,688,267 | 550,034 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 132,761 | (3,716,182) | 17,806,946 | 14,223,525 |
| Total funds carried forward | | <u>184,591</u> | <u>(4,906,245)</u> | <u>19,495,213</u> | <u>14,773,559</u> |

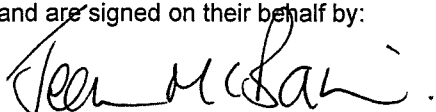
CORFE HILLS SCHOOL ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

| | Notes | 2021 | | 2020 | |
|---|-------|-----------|--------------------------|-----------|--------------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 19,723,999 | | 17,486,953 |
| Current assets | | | | | |
| Debtors | 13 | 2,432,492 | | 2,225,488 | |
| Cash at bank and in hand | | 1,045,862 | | 571,683 | |
| | | | <u>3,478,354</u> | | <u>2,797,171</u> |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 14 | (671,569) | | (542,642) | |
| Net current assets | | | <u>2,806,785</u> | | <u>2,254,529</u> |
| Total assets less current liabilities | | | <u>22,530,784</u> | | <u>19,741,482</u> |
| Creditors: amounts falling due after more than one year | 15 | | (67,356) | | (61,923) |
| Net assets before defined benefit pension scheme liability | | | <u>22,463,428</u> | | <u>19,679,559</u> |
| Defined benefit pension scheme liability | 19 | | (5,616,000) | | (4,906,000) |
| Total net assets | | | <u><u>16,847,428</u></u> | | <u><u>14,773,559</u></u> |
| Funds of the Academy Trust: | | | | | |
| Restricted funds | 17 | | | | |
| - Fixed asset funds | | | 22,278,627 | | 19,495,213 |
| - Restricted income funds | | | (25,955) | | (245) |
| - Pension reserve | | | (5,616,000) | | (4,906,000) |
| Total restricted funds | | | <u>16,636,672</u> | | <u>14,588,968</u> |
| Unrestricted income funds | 17 | | 210,756 | | 184,591 |
| Total funds | | | <u><u>16,847,428</u></u> | | <u><u>14,773,559</u></u> |

The accounts on pages 25 to 50 were approved by the governors and authorised for issue on 08 December 2021 and are signed on their behalf by:



J McBain
Chair of Governors

Company Number 07536911

CORFE HILLS SCHOOL ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

| | | 2021 | | 2020 | |
|--|-------|-------------|------------------|-----------|----------------|
| | Notes | £ | £ | £ | £ |
| Cash flows from operating activities | | | | | |
| Net cash used in operating activities | 20 | | (86,461) | | (1,719,155) |
| Cash flows from investing activities | | | | | |
| Dividends, interest and rents from investments | | - | | 1,390 | |
| Capital grants from DfE Group | | 3,212,169 | | 2,112,381 | |
| Capital funding received from sponsors and others | | 7,000 | | 10,000 | |
| Purchase of tangible fixed assets | | (2,670,046) | | (448,531) | |
| Net cash provided by investing activities | | | 549,123 | | 1,675,240 |
| Cash flows from financing activities | | | | | |
| Repayment of other loan | | 11,517 | | 66,051 | |
| Finance costs | | - | | 27 | |
| Net cash provided by financing activities | | | 11,517 | | 66,078 |
| Net increase in cash and cash equivalents in the reporting period | | | 474,179 | | 22,163 |
| Cash and cash equivalents at beginning of the year | | | 571,683 | | 549,520 |
| Cash and cash equivalents at end of the year | | | <u>1,045,862</u> | | <u>571,683</u> |

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

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

1.1 Basis of preparation

The accounts of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 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 charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The trustees have considered the improvement in the financial health of the trust, of the improved curriculum and other efficiencies and of the continued management of costs. They have noted that budgeted and projected reserves and cash balances are positive over periods exceeding the next two years.

Based on the above the trustees feel that there are no longer material uncertainties casting doubt on the going concern status of the trust.

1.3 Income

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

Grants

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

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

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

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Sponsorship income

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

Donations

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

Other income

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

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

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

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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

| | |
|--------------------------------|----------------------|
| Freehold land and buildings | 2% straight line |
| Assets under construction | No depreciation |
| Computer equipment | 20% straight line |
| Fixtures, fittings & equipment | 25% reducing balance |
| Motor vehicles | 20% reducing balance |

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

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

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

1.9 Taxation

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

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.10 Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

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

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

1.11 Fund accounting

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

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

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

1.12 Financial Instruments

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

1.13 Agency Arrangements

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

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

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

3 Donations and capital grants

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|-----------------|----------------------------|--------------------------|--------------------|--------------------|
| Capital grants | - | 3,212,169 | 3,212,169 | 2,112,381 |
| Other donations | 11,158 | 8,000 | 19,158 | 14,773 |
| | <u>11,158</u> | <u>3,220,169</u> | <u>3,231,327</u> | <u>2,127,154</u> |

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Academy Trust's educational operations

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|------------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| DfE/ESFA grants | | | | |
| General annual grant (GAG) | - | 4,359,780 | 4,359,780 | 4,473,147 |
| Other DfE/ESFA grants: | | | | |
| Pupil premium | - | 75,490 | 75,490 | 72,620 |
| Others | - | 245,179 | 245,179 | 244,991 |
| | - | 4,680,449 | 4,680,449 | 4,790,758 |
| Other government grants | | | | |
| Local authority grants | - | 47,733 | 47,733 | 50,587 |
| Other grants | - | - | - | 18,647 |
| | - | 47,733 | 47,733 | 69,234 |
| COVID-19 additional funding | | | | |
| DfE/ESFA | | | | |
| Other DfE/ESFA COVID-19 funding | - | 97,772 | 97,772 | 10,095 |
| Total funding | - | 4,825,954 | 4,825,954 | 4,870,087 |

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The funding received for coronavirus exceptional support covers £10,095 of free school meals costs. These costs are included in notes 7 and 8 below as appropriate.

5 Other trading activities

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|--------------------|----------------------------|--------------------------|--------------------|--------------------|
| Hire of facilities | 13,544 | - | 13,544 | 16,898 |
| Trips and visits | 10,425 | - | 10,425 | 84,208 |
| Other income | 7,504 | - | 7,504 | 67,212 |
| | 31,473 | - | 31,473 | 168,318 |

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Investment income

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|---------------------|----------------------------|--------------------------|--------------------|--------------------|
| Short term deposits | - | - | - | 1,390 |

7 Expenditure

| | Staff costs £ | Non-pay expenditure Premises £ | Other £ | Total 2021 £ | Total 2020 £ |
|----------------------------------|------------------|--------------------------------------|----------------|--------------------|--------------------|
| Academy's educational operations | | | | | |
| - Direct costs | 3,315,978 | 433,000 | 290,917 | 4,039,895 | 4,504,741 |
| - Allocated support costs | 907,484 | 448,139 | 220,367 | 1,575,990 | 1,362,174 |
| | <u>4,223,462</u> | <u>881,139</u> | <u>511,284</u> | <u>5,615,885</u> | <u>5,866,915</u> |

Net income/(expenditure) for the year includes:

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Fees payable to auditor for: | | |
| - Audit | 7,100 | 6,900 |
| - Other services | 3,275 | 3,175 |
| Operating lease rentals | 17,622 | 13,486 |
| Depreciation of tangible fixed assets | 433,000 | 408,652 |
| Bank and loan interest | - | (27) |
| Net interest on defined benefit pension liability | 77,000 | 71,000 |

8 Charitable activities

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Direct costs | | | | |
| Educational operations | 16,466 | 4,023,429 | 4,039,895 | 4,504,741 |
| Support costs | | | | |
| Educational operations | - | 1,575,990 | 1,575,990 | 1,362,174 |
| | <u>16,466</u> | <u>5,599,419</u> | <u>5,615,885</u> | <u>5,866,915</u> |

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

| 8 Charitable activities | (Continued) | |
|--|------------------|------------------|
| Analysis of costs | 2021 | 2020 |
| | £ | £ |
| Direct costs | | |
| Teaching and educational support staff costs | 3,315,978 | 3,700,933 |
| Staff development | 8,462 | 10,391 |
| Depreciation | 433,000 | 408,652 |
| Technology costs | 65,430 | 70,917 |
| Educational supplies and services | 72,877 | 72,359 |
| Examination fees | 102,117 | 105,479 |
| Other direct costs | 42,031 | 136,010 |
| | <u>4,039,895</u> | <u>4,504,741</u> |
| Support costs | | |
| Support staff costs | 909,169 | 768,772 |
| Technology costs | 8,897 | 4,902 |
| Recruitment and support | - | 1,744 |
| Maintenance of premises and equipment | 123,635 | 62,092 |
| Cleaning | 140,454 | 131,584 |
| Energy costs | 111,181 | 120,204 |
| Rent, rates and other occupancy costs | 53,925 | 52,175 |
| Insurance | 18,944 | 19,792 |
| Security and transport | 2,244 | 3,413 |
| Catering | 26,453 | 35,936 |
| Finance costs | 77,000 | 70,973 |
| Legal costs | 288 | 2,463 |
| Other support costs | 93,605 | 77,108 |
| Governance costs | 10,195 | 11,016 |
| | <u>1,575,990</u> | <u>1,362,174</u> |

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

Staff costs

Staff costs during the year were:

| | 2021 £ | 2020 £ |
|---|-------------|-------------|
| Wages and salaries | 2,982,405 | 3,253,863 |
| Social security costs | 286,226 | 292,621 |
| Pension costs | 875,529 | 822,707 |
| | <hr/> | <hr/> |
| Staff costs - employees | 4,144,160 | 4,369,191 |
| Agency staff costs | 52,449 | 58,682 |
| Staff restructuring costs | 26,853 | 41,772 |
| | <hr/> | <hr/> |
| Staff development and other staff costs | 10,147 | 10,451 |
| | <hr/> | <hr/> |
| Total staff expenditure | 4,233,609 | 4,480,096 |
| | <hr/> <hr/> | <hr/> <hr/> |

Staff restructuring costs comprise:

| | | |
|---------------------|-------------|-------------|
| Redundancy payments | 26,853 | 41,772 |
| | <hr/> <hr/> | <hr/> <hr/> |

Staff numbers

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

| | 2021 Number | 2020 Number |
|----------------------------|----------------|----------------|
| Teachers | 54 | 61 |
| Administration and support | 68 | 67 |
| Management | 6 | 6 |
| | <hr/> | <hr/> |
| | 128 | 134 |
| | <hr/> <hr/> | <hr/> <hr/> |

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

| | 2021 Number | 2020 Number |
|----------------------------|----------------|----------------|
| Teachers | 42 | 49 |
| Administration and support | 29 | 35 |
| Management | 6 | 6 |
| | <hr/> | <hr/> |
| | 77 | 90 |
| | <hr/> <hr/> | <hr/> <hr/> |

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

(Continued)

Higher paid staff

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

| | 2021 Number | 2020 Number |
|-------------------|-------------------|-------------------|
| £60,001 - £70,000 | 4 | 4 |
| £80,001 - £90,000 | 1 | 1 |
| | <u> </u> | <u> </u> |

Key management personnel

The key management personnel of the Academy Trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £515,498 (2020: £519,604)

10 Trustees' remuneration and expenses

The Headteacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors. During the year, no expenses were reimbursed to the trustees (2020: £8.27 was reimbursed to one trustee for the purchase of a book).

The value of Trustees' remuneration was as follows:

A Sutton (Other staff Governor):

Remuneration £45,001 - £50,000 (2020: £40,001 - £45,000)

Employer's pension contributions £10,001 - £15,000 (2020: £10,001 - £15,000)

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

11 Trustees' and officers' insurance

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

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Tangible fixed assets

| | Freehold land and buildings £ | Assets under construction £ | Computer equipment £ | Fixtures, fittings & equipment £ | Motor vehicles £ | Total £ |
|---------------------------|--|-----------------------------------|----------------------------|---|------------------------|------------|
| Cost | | | | | | |
| At 1 September 2020 | 20,116,742 | 41,295 | 348,304 | 278,072 | 31,200 | 20,815,613 |
| Transfer on conversion | 22,065 | (22,065) | - | - | - | - |
| Additions | 2,012,144 | 650,443 | 3,064 | 4,395 | - | 2,670,046 |
| At 31 August 2021 | 22,150,951 | 669,673 | 351,368 | 282,467 | 31,200 | 23,485,659 |
| Depreciation | | | | | | |
| At 1 September 2020 | 2,835,048 | - | 291,756 | 174,508 | 27,348 | 3,328,660 |
| Charge for the year | 381,424 | - | 23,857 | 26,949 | 770 | 433,000 |
| At 31 August 2021 | 3,216,472 | - | 315,613 | 201,457 | 28,118 | 3,761,660 |
| Net book value | | | | | | |
| At 31 August 2021 | 18,934,479 | 669,673 | 35,755 | 81,010 | 3,082 | 19,723,999 |
| At 31 August 2020 | 17,281,694 | 41,295 | 56,548 | 103,564 | 3,852 | 17,486,953 |

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

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

13 Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|------------------|------------------|
| Trade debtors | 601 | 9,008 |
| VAT recoverable | 22,236 | 26,147 |
| Other debtors | 2,329,783 | 2,074,605 |
| Prepayments and accrued income | 79,872 | 115,728 |
| | <u>2,432,492</u> | <u>2,225,488</u> |

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

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

14 Creditors: amounts falling due within one year

| | 2021 | 2020 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| Other loans | 10,212 | 4,128 |
| Trade creditors | 66,338 | 92,880 |
| Other taxation and social security | 143,195 | 151,183 |
| Other creditors | 21,505 | 70,302 |
| Accruals and deferred income | 430,319 | 224,149 |
| | <u>671,569</u> | <u>542,642</u> |

15 Creditors: amounts falling due after more than one year

| | 2021 | 2020 |
|-------------|---------------|---------------|
| | £ | £ |
| Other loans | 67,356 | 61,923 |
| | <u>67,356</u> | <u>61,923</u> |

Analysis of loans

| | 2021 | 2020 |
|---------------------------------------|---------------|---------------|
| | £ | £ |
| Wholly repayable within five years | 77,568 | 66,051 |
| Less: included in current liabilities | (10,212) | (4,128) |
| Amounts included above | <u>67,356</u> | <u>61,923</u> |

Loan maturity

| | | |
|---|---------------|---------------|
| Debt due in one year or less | 10,212 | 4,128 |
| Due in more than one year but not more than two years | 40,848 | 33,026 |
| Due in more than two years but not more than five years | 26,508 | 28,897 |
| | <u>77,568</u> | <u>66,051</u> |

Loans consist an interest free Salix loan of £77,568.

16 Deferred income

| | 2021 | 2020 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Deferred income is included within: | | |
| Creditors due within one year | <u>84,362</u> | <u>87,977</u> |

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Deferred income

(Continued)

| | | |
|--|---------------|---------------|
| Deferred income at 1 September 2020 | 87,977 | 148,727 |
| Released from previous years | (87,977) | (148,727) |
| Resources deferred in the year | 84,362 | 87,977 |
| Deferred income at 31 August 2021 | 84,362 | 87,977 |

The deferred income relates to income received in the period to 31 August 2021 which relates to the year ending 31 August 2022. The above deferred income relates to the following:

| | |
|-------|---------|
| Trips | £84,362 |
|-------|---------|

17 Funds

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2021 £ |
|---------------------------------------|--|------------------|--------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | (230,120) | 4,359,780 | (4,159,027) | 2,755 | (26,612) |
| Pupil premium | - | 75,490 | (75,490) | - | - |
| Other DfE/ESFA COVID-19 funding | - | 97,772 | (97,772) | - | - |
| Other DfE/ESFA grants | - | 245,179 | (244,522) | - | 657 |
| Other government grants | - | 47,733 | (47,733) | - | - |
| Other restricted funds | 229,875 | 1,000 | (230,875) | - | - |
| Pension reserve | (4,906,000) | - | (311,000) | (399,000) | (5,616,000) |
| | <u>(4,906,245)</u> | <u>4,826,954</u> | <u>(5,166,419)</u> | <u>(396,245)</u> | <u>(5,641,955)</u> |
| Restricted fixed asset funds | | | | | |
| DfE group capital grants | 19,484,863 | 3,212,169 | (429,550) | (2,755) | 22,264,727 |
| Private sector capital sponsorship | 10,350 | 7,000 | (3,450) | - | 13,900 |
| | <u>19,495,213</u> | <u>3,219,169</u> | <u>(433,000)</u> | <u>(2,755)</u> | <u>22,278,627</u> |
| Total restricted funds | <u>14,588,968</u> | <u>8,046,123</u> | <u>(5,599,419)</u> | <u>(399,000)</u> | <u>16,636,672</u> |
| Unrestricted funds | | | | | |
| General funds | 184,591 | 42,631 | (16,466) | - | 210,756 |
| | <u>184,591</u> | <u>42,631</u> | <u>(16,466)</u> | <u>-</u> | <u>210,756</u> |
| Total funds | <u>14,773,559</u> | <u>8,088,754</u> | <u>(5,615,885)</u> | <u>(399,000)</u> | <u>16,847,428</u> |

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

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

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

(Continued)

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

Unrestricted Funds are all other sources of income generated by the academy through trading or fundraising and to which no restrictions apply regarding the way they are spent.

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

The transfer of funds is a reclassification of the expenditure in the year from restricted to unrestricted.

The Restricted Fixed Asset Fund includes a carried forward balance of £58,447 (2020 - £2,075,207) relating to CIF Grants, £2,559,704 (2020 - £770) relating to Estates Efficiency Proof of Concept Grant, £Nil (2020 - £(4,295)) relating to Urgent Capital Support Fund.

In the previous year, the academy trust was carrying a net deficit of £245 on restricted general funds (excluding pension reserve), plus surplus unrestricted funds of £184,591. The trust was carrying total revenue funds of £184,346. The academy trust achieved an in-year deficit of £173,233.

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

(Continued)

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

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2020 £ |
|-------------------------------------|--|------------------|--------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | (5,057) | 4,473,147 | (4,710,953) | 12,743 | (230,120) |
| Pupil premium | - | 72,620 | (72,620) | - | - |
| Other DfE/ESFA grants | - | 244,991 | (244,991) | - | - |
| Other government grants | - | 79,329 | (79,329) | - | - |
| Other restricted funds | 229,875 | - | - | - | 229,875 |
| Pension reserve | (3,941,000) | - | (215,000) | (750,000) | (4,906,000) |
| | <u>(3,716,182)</u> | <u>4,870,087</u> | <u>(5,322,893)</u> | <u>(737,257)</u> | <u>(4,906,245)</u> |
| Restricted fixed asset funds | | | | | |
| DfE group capital grants | 17,806,946 | 2,112,381 | (405,202) | (29,262) | 19,484,863 |
| Private sector capital sponsorship | - | 10,000 | (3,450) | 3,800 | 10,350 |
| | <u>17,806,946</u> | <u>2,122,381</u> | <u>(408,652)</u> | <u>(25,462)</u> | <u>19,495,213</u> |
| Total restricted funds | <u>14,090,764</u> | <u>6,992,468</u> | <u>(5,731,545)</u> | <u>(762,719)</u> | <u>14,588,968</u> |
| Unrestricted funds | | | | | |
| General funds | <u>132,761</u> | <u>174,481</u> | <u>(135,370)</u> | <u>12,719</u> | <u>184,591</u> |
| Total funds | <u>14,223,525</u> | <u>7,166,949</u> | <u>(5,866,915)</u> | <u>(750,000)</u> | <u>14,773,559</u> |

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds: General Fixed asset £ £ | | Total Funds £ |
|--|----------------------------|---|-------------------|---------------------|
| Fund balances at 31 August 2021 are represented by: | | | | |
| Tangible fixed assets | - | - | 19,723,999 | 19,723,999 |
| Current assets | 210,756 | 635,402 | 2,632,196 | 3,478,354 |
| Creditors falling due within one year | 657 | (662,014) | (10,212) | (671,569) |
| Creditors falling due after one year | - | - | (67,356) | (67,356) |
| Defined benefit pension liability | - | (5,616,000) | - | (5,616,000) |
| Total net assets | 211,413 | (5,642,612) | 22,278,627 | 16,847,428 |
| | | | | |
| Balance to allocate | (657) | 657 | - | - |
| Per balance sheet | 210,756 | (5,641,955) | 22,278,627 | 16,847,428 |

| | Unrestricted Funds £ | Restricted funds: General Fixed asset £ £ | | Total Funds £ |
|--|----------------------------|---|-------------------|---------------------|
| Fund balances at 31 August 2020 are represented by: | | | | |
| Tangible fixed assets | - | - | 17,486,953 | 17,486,953 |
| Current assets | 343,071 | 379,789 | 2,074,311 | 2,797,171 |
| Creditors falling due within one year | (158,480) | (380,034) | (4,128) | (542,642) |
| Creditors falling due after one year | - | - | (61,923) | (61,923) |
| Defined benefit pension liability | - | (4,906,000) | - | (4,906,000) |
| Total net assets | 184,591 | (4,906,245) | 19,495,213 | 14,773,559 |

19 Pension and similar obligations

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

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

Contributions amounting to £73,783 (2020: £78,227) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

(Continued)

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The 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 2023.

The pension costs paid to the TPS in the period amounted to £488,547 (2020: £530,564).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21% for employers and 5.5 to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £157,500 (2020: £156,000) as per the FRS102 report.

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.

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations (Continued)

| Total contributions made | 2021 £ | 2020 £ |
|--------------------------|----------------|----------------|
| Employer's contributions | 153,000 | 198,000 |
| Employees' contributions | 45,000 | 46,000 |
| | <u>198,000</u> | <u>244,000</u> |

| Principal actuarial assumptions | 2021 % | 2020 % |
|--|------------|-------------|
| Rate of increase in salaries | 3.9 | 3.25 |
| Rate of increase for pensions in payment/inflation | 2.9 | 2.25 |
| Discount rate for scheme liabilities | 1.65 | 1.60 |
| Inflation assumption (CPI) | 2.9 | 2.25 |
| | <u>2.9</u> | <u>2.25</u> |

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

| | 2021 Years | 2020 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| - Males | 23.1 | 23.3 |
| - Females | 24.6 | 24.8 |
| Retiring in 20 years | | |
| - Males | 24.4 | 24.7 |
| - Females | 26.1 | 26.2 |
| | <u>26.1</u> | <u>26.2</u> |

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

| Defined benefit pension scheme net liability | 2021 | 2020 |
|--|--------------------|--------------------|
| Scheme assets | 3,751,000 | 3,033,000 |
| Scheme obligations | (9,367,000) | (7,939,000) |
| | <u>(5,616,000)</u> | <u>(4,906,000)</u> |
| Net liability | <u>(5,616,000)</u> | <u>(4,906,000)</u> |

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

(Continued)

| The Academy Trust's share of the assets in the scheme | 2021 Fair value £ | 2020 Fair value £ |
|---|-------------------------|-------------------------|
| Equities | 2,055,000 | 1,562,000 |
| Gilts | 899,000 | 796,000 |
| Cash | 60,000 | 31,000 |
| Property | 329,000 | 301,000 |
| Other assets | 408,000 | 343,000 |
| Total market value of assets | <u>3,751,000</u> | <u>3,033,000</u> |

The actual return on scheme assets was £652,000 (2020: £(94,000)).

Amount recognised in the Statement of Financial Activities

| | 2021 £ | 2020 £ |
|------------------------|----------------|----------------|
| Current service cost | 234,000 | 144,000 |
| Interest income | (49,000) | (56,000) |
| Interest cost | 126,000 | 127,000 |
| Total operating charge | <u>311,000</u> | <u>215,000</u> |

Changes in the present value of defined benefit obligations

| | 2021 £ |
|------------------------|------------------|
| At 1 September 2020 | 7,939,000 |
| Current service cost | 384,000 |
| Interest cost | 126,000 |
| Employee contributions | 45,000 |
| Actuarial loss | 1,005,000 |
| Benefits paid | (132,000) |
| At 31 August 2021 | <u>9,367,000</u> |

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

| | | | |
|--|--------------------|--------------------|------------------|
| 19 Pension and similar obligations | (Continued) | | |
| Changes in the fair value of the Academy Trust's share of scheme assets | | | |
| | | 2021 | |
| | | £ | |
| At 1 September 2020 | | 3,033,000 | |
| Interest income | | 46,000 | |
| Actuarial (gain)/loss | | 606,000 | |
| Employer contributions | | 153,000 | |
| Employee contributions | | 45,000 | |
| Benefits paid | | (132,000) | |
| | | <hr/> | |
| At 31 August 2021 | | 3,751,000 | |
| | | <hr/> <hr/> | |
| 20 Reconciliation of net income to net cash flow from operating activities | | | |
| | 2021 | 2020 | |
| | £ | £ | |
| Net income for the reporting period (as per the statement of financial activities) | 2,472,869 | 1,300,034 | |
| Adjusted for: | | | |
| Capital grants from DfE and other capital income | (3,219,169) | (2,122,381) | |
| Investment income receivable | - | (1,390) | |
| Finance costs payable | - | (27) | |
| Defined benefit pension costs less contributions payable | 234,000 | 144,000 | |
| Defined benefit pension scheme finance cost | 77,000 | 71,000 | |
| Depreciation of tangible fixed assets | 433,000 | 408,652 | |
| (Increase) in debtors | (207,004) | (1,458,340) | |
| Increase/(decrease) in creditors | 122,843 | (60,703) | |
| | <hr/> | <hr/> | |
| Net cash used in operating activities | (86,461) | (1,719,155) | |
| | <hr/> <hr/> | <hr/> <hr/> | |
| 21 Analysis of changes in net funds | | | |
| | 1 September | Cash flows | 31 August |
| | 2020 | | 2021 |
| | £ | £ | £ |
| Cash | 571,683 | 474,179 | 1,045,862 |
| Loans falling due within one year | (4,128) | (6,084) | (10,212) |
| Loans falling due after more than one year | (61,923) | (5,433) | (67,356) |
| | <hr/> | <hr/> | <hr/> |
| | 505,632 | 462,662 | 968,294 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Long-term commitments, including operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

| | 2021 £ | 2020 £ |
|-----------------------------------|---------------|---------------|
| Amounts due within one year | 17,781 | 17,781 |
| Amounts due in two and five years | 17,781 | 35,549 |
| | <u>35,562</u> | <u>53,330</u> |

23 Capital commitments

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Expenditure contracted for but not provided in the accounts | 2,632,196 | 2,086,656 |

In 2021, the academy had contracted capital commitments at the year end in relation to one ongoing Conditional Improvement Fund (CIF) Project. This was funded through CIF grants awarded from the ESFA which are recognised in the accounts in full when receivable.

As at the 31st August 2021 the capital commitments not provided for in the accounts were as follows:

| | |
|---------------------------|------------|
| CIF Roofing Works | £75,948 |
| EEP Classroom replacement | £2,556,248 |

As at the 31st August 2020 the capital commitments not provided for in the accounts were as follows:

| | |
|-------------------|------------|
| CIF Roofing Works | £2,086,656 |
|-------------------|------------|

24 Related party transactions

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 10.

25 Members' liability

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

CORFE HILLS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

26 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the trust received £12,630 (2020: £16,840) and disbursed £52,206 (2020: £11,129) from the fund. An amount of £16,401 (2020: £55,977) is included in other creditors relating to undistributed funds that is repayable to ESFA.