

Cobham Free School Trust

Annual Report and Financial Statements

31 August 2023

Company Limited by Guarantee
Registration Number
07643477 (England and Wales)

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Contents

Reports

Reference and administrative information	1
Trustees' report	3
Governance statement	15
Statement of regularity, propriety and compliance	20
Statement of Trustees' responsibilities	21
Independent auditor's report on the financial statements	22
Independent reporting accountant's report on regularity	27

Financial statements

Statement of financial activities	29
Balance sheet	30
Statement of cash flows	31
Principal accounting policies	32
Notes to the financial statements	37

Reference and administrative information

Members	Mr H Morris (Chair of Trustees) Mr I Clifford Mr S Heard Mr R Khatib Mrs J Poppe Ms J Rangasamy Mr R Sturges
The Trust Board	Mr H Morris* (Chair of Trustees) Dr C Banks* Mr P Bedford* Mr N Cogswell* Mrs H Hutton-Attenborough Mrs T Lightbody Mrs F Moss Ms L Richardson Mrs G Rolfe Ms A Saunders Mr S Sukhdeo Mr T Tiedt
Company Secretary	*Members of the Finance and Risk Committee Mr R Khatib
Clerk to the Trust Board	Mrs J Dutton (Strictly Education 4S)
Senior Leadership Team	
Executive Head	Mrs M Khatib (Accounting Officer)
Business Manager	Mrs C Marcus
Head of School (All through)	Mrs L Newman
Head of Lower Junior	Mrs B Hodgetts
Head of Upper Junior	Mrs J Grenander
Head of Senior	Mrs A Basu
Head of Sixth Form	Mrs H Johnson
Registered address	Cobham Free School Portsmouth Road Cobham Surrey KT11 1TF
Company registration number	07643477
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative information

Bankers Lloyds Bank
 147 High Street
 Guildford
 Surrey
 GU1 3AG

Solicitors Bates Wells London LLP
 10 Queen Street Place
 London
 EC4R 1BE

Trustees' report Year to 31 August 2023

The Trustees of Cobham Free School Trust ('the School') present their annual report together with the financial statements and the auditor's report of the charitable company for the year to 31 August 2023. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 32 to 36 of the attached financial statements and comply with the School's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Cobham Free School Trust is a company limited by guarantee (registration number 07643477) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The Trust Board acts as the trustees for the charitable activities of the Trust and are also the directors of the Charitable Company for the purposes of UK company law.

The charitable company is known as Cobham Free School.

Details of the Trustees who served throughout the period are included on page 4.

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 period 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.

Trustees' indemnities

In accordance with normal commercial practice, the School has purchased Risk Protection Arrangement (RPA) insurance from the Department for Education (DfE) to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on School business. This has been purchased as part of a wider global insurance premium. The insurance provides cover of up to £10 million on any one claim.

Principal activities

The principal activity of the School during the year ended 31 August 2023 was the operation of an all-through school, offering a broad and balanced curriculum.

Trustees

The Trustees are directors of the charitable company for the purposes of the Companies Act 2006. The following Trustees were in office at 31 August 2023 and served throughout the year except where shown.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees (continued)

Trustee	Appointed/ Resigned
Mr H Morris (Chair of Trustees)	
Mr C Andrews	Resigned 11 July 2023
Dr C Banks	
Mrs C Beddison	Resigned 11 July 2023
Mr P Bedford	
Mr N Cogswell	
Mrs H Hutton-Attenborough	
Mrs M Khatib (Executive Headteacher and Accounting Officer)	Resigned 3 October 2023
Mrs T Lightbody	
Mrs F Moss	Appointed 19 January 2023
Ms L Richardson	
Ms A Saunders	
Mr R Staegemann	Resigned 19 October 2022
Mr T Tiedt	Appointed 19 January 2023

Method of recruitment and appointment or election of Trustees

The Trustees of the School have been appointed in accordance with the Memorandum and Articles of Association as set out below.

The constitution of the School provides that the number of Trustees shall not be less than three, no more than twelve Member-elected Trustees and no more than one third of the Trustees being employees (staff Trustees) of Cobham Free School.

Subject to Articles 45-80 of the Articles of Association, the School shall have the following Trustees:

- a) Up to 12 Trustees appointed by the Members;
- b) 2 elected Parent Trustees; and
- c) Up to 3 Co-opted Trustees appointed by the Trustees.

Trustees are either appointed by Members, Co-opted by the Trustees or are Parent Trustees elected by parents of the School.

Trustees are appointed for a period of four years; after which they are eligible for re-appointment. Parent Trustees are elected for a period of two years, after which they are not eligible to be re-elected.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and procedures adopted for the induction and training of Trustees

In order to ensure that the Trustees have the requisite skills to perform its role effectively, the School conducts a skills audit periodically. All new Trustees receive an induction pack and details of the training available to them. They are encouraged to attend relevant training courses. During the year, the School has made available to all Trustees the resources of National Governors Association for training requirements. Trustees make a number of ad hoc monitoring visits to the school each term which include shadowing a member of staff or department. All Trustees are required to undergo a DBS check.

Organisational structure

The Trustees are responsible for key strategic decision making, including approval of the School Development Plan, approval of the financial budget, appointment of the auditors and approval of the annual report and accounts.

The Trust Board meets at least three times per year. The Finance and Risk Sub-committee, the Remuneration Sub-committee, the Premises (Health and Safety) Sub-committee, the Education Sub-committee and an HR Sub-committee support the Trust Board in making strategic decisions.

The task of running the School on a day-to-day basis is delegated to the Executive Head, assisted by the Senior Leadership Team, which includes the Head of Junior, the Heads of Senior, the Head of Sixth Form and the Business Manager. As such, the Executive Head, assisted by the Senior Leadership Team, is responsible for the delivery of all aspects of the School Development Plan and adherence to the School's operational and financial policies.

During the accounting period the Executive Head performed the role of accounting officer. The Executive Head is a Trustee and attends the Education, Premises, and Finance and Risk Sub-committees. The Business Manager attends the Finance and Risk Sub-Committee meetings, and the Premises Sub-Committee meetings. The Heads of Junior, Senior and Sixth Form departments are invited to attend full Trust Board meetings and the Education Sub-committee.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the School responsible for directing and controlling the Academy comprise the trustees together with the Senior Leadership Team.

The Members of the Trust and the Trustees receive no remuneration for their role as Members and Trustees. The staff Trustees only receive remuneration as employees of the Trust.

There is a separate Remuneration Sub-committee which is made up of trustees who have no interest or relationship to any member of the Senior Leadership Team. The Remuneration Sub-committee sets the pay levels for the Senior Leadership Team on an annual basis.

An external educational consultant has been appointed to conduct the performance management of the Executive Head. The pay of key management personnel is set by the Remuneration Sub-committee using the outcomes from performance reviews and also benchmarking against other academies of a similar size and nature.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trade union facility time

The Trust is not aware of any relevant union officials among the staff.

Related parties and other connected charities and organisations

Related party transactions involving the Trustees and other connected individuals and organisations are set out in notes 9 and 19 to the financial statements.

OBJECTS AND AIMS

Mission

To provide a unique education, freely available to all, offering academic excellence and taking best practice from state and private sectors. This is summarised in our school motto: 'Optimum Omnibus - the best for all'.

Vision

- ◆ The school's vision is focused on our pupils.
- ◆ They are inspired and equipped to develop character and play their full part in the world around them.
- ◆ They are courageous, innovative, caring citizens, making our local community a better place to live.

Values

The School aims to maximise the potential for all its pupils and to welcome those from diverse backgrounds. In pursuit of this aim we:

- ◆ set high standards for ourselves, our students and for each other, in all that we do.
- ◆ give academic achievement and personal development equal importance in our school, enabling our students to be the best they can be, in all aspects of their lives in readiness for life's challenges ahead as adults.
- ◆ welcome all students, offer equality of opportunity, treat each other with respect and encourage resilience while celebrating success.

STRATEGIC REPORT

Achievements and performance

Objectives

The main objective for the year ended 31 August 2023 was:

To continue to expand pupil numbers by increasing the sixth form admissions and to ensure the school was achieving to the highest standards, in line with the vision and values of the trust.

Public benefit

In setting the School's objectives and planning its activities, the Board of Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Public benefit (continued)

Review of activities

This year the School carried out a number of activities in furtherance of its charitable aims for the public benefit. Achievements included:

Academic Outcomes

Success in national curriculum assessments at Key Stage 2 with progress and attainment results well above national average.

Key Stage 2 Headline Results Summer 2023

- ◆ 83% of children achieved the expected standard in reading and 46% were at greater depth
- ◆ 85% of children achieved the expected standard in grammar, punctuation and spelling (GPS) and 38% were at greater depth
- ◆ 81% of children achieved the expected standard in mathematics with 15% at greater depth.
- ◆ The average scaled scores were consistently above national average in reading, GPS and mathematics.

Pupils performed well in GCSEs with 83% entering the English Baccalaureate compared with 39% nationally. Significantly, 90% of pupils achieved a standard pass or above in English and Maths. See table below for further GCSE headline results.

GCSE Headline Results Summer 2023

SUBJECT	COBHAM FREE SCHOOL %	NATIONAL %
English and Maths at Grade 5 or above	65	45
All GCSE subjects at grade 4 or above	89	68
All GCSE subjects at Grade 5 or above	74	54
All GCSE subjects at 7 or above	31	22

A Level Headline Results Summer 2023

A level results were strong with students obtaining grades to enable entry to top higher education destinations, including Russell Group universities. 77% of all subject entries were awarded A* - C grades and 28% were awarded A* - A.

A number of sixth form students undertook the extended project qualification with 100% pass rate and almost half awarded the top A grade.

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Enrichment Programme and Wider Curriculum

- ◆ The school was awarded The Green Flag Award with distinction for initiatives to improve the environment, including a new kitchen garden, recycling schemes and participation in 'Cut your Carbon' week.
- ◆ Pupils were encouraged to use sustainable transport options and Bikeability sessions were run for junior children to improve their cycling proficiency. The school achieved the bronze level for its Modeshift Stars travel plan and is working towards a silver award. A sustainable travel grant has been received for future projects.
- ◆ The music department continued to develop and embed partnerships with local centres of excellence. Performances included a Sings with Strings event with the Yehudi Menuhin School string orchestra and the Bernardi Group at Charterhouse School, and Vivaldi's Gloria in collaboration with Woking Symphony Orchestra. Successful school performances included the main school production, Bugsy Malone and a student pantomime, Cinderella.
- ◆ Students had success in national and regional competitions in a range of sporting disciplines. The u15 football team reached the last 16 of the National Cup for Small Schools and the u14 Girls footballers reached the quarter final of the County Cup. The u14 Boys Rugby team entered and performed well in the prestigious Rosslyn Park 7s. In Athletics students competed successfully in events against other schools and some individual pupils represented the school and district at the Surrey Athletics Championships. One student has been selected to run for Surrey at the National School Championships.
- ◆ The House system continued to be embedded with a number of inter-house competitions, including House Drama, and charity events across the school.
- ◆ Pupils participated in a wide range of residential experiences, including: PGL activity centres and 'Bushcraft' camping, and trips to Spain and France.
- ◆ The enrichment programme was embedded and expanded across the school. This included a carousel of activities in the senior department. A newly appointed Assistant Head for enrichment will oversee the provision to ensure a strategic approach is taken.
- ◆ Students were successful in completing the Duke of Edinburgh award with 20 gaining bronze and 11 silver awards. One student obtained a gold award which was presented at Buckingham Palace. The school's participants were also credited with 416 hours of volunteering (worth £2000 in social value).

Admissions

The school was 3 times oversubscribed for spaces in reception 2023, with 152 applications for 48 spaces. For entry into Year 7, the school was 10 times oversubscribed with 585 on time applications for 56 spaces. The media reported that the senior department was the most oversubscribed secondary school in Surrey in terms of first choice applications. The sixth form has also grown from 77 in 2022 to 93 in September 2023 (20% increase) with the highest retention Y11 to Y12 to date (34%).

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Staffing

The resignation of the Head of Junior, opened up the opportunity to explore changes to the leadership structure. A new Head of School (all through) role was created to oversee and help coordinate new Head of Lower School and Head of Upper School positions.

New Assistant Head positions were put in place for September 2023, to focus on enrichment and academic data. The leadership in sixth form was expanded to include a new Year group leader for Year 12.

A new Director of Music was appointed to continue to deliver the vision for music as a key strength of the school.

Site

Work commenced on the final phase of the main school project with contractors making upgrades to Portsmouth Road. This included improvements to the Fairmile Lane junction and a new super cycle highway running between the school and Cobham village.

There was a focus on developing the grounds at the main school with a new kitchen garden to support a Green Flag award application. Improvements were also made to the auditorium sound and lighting system through funding provided by Active Surrey.

Key financial performance indicators

The School sets an annual budget based on estimates of both income and expenditure. The key performance indicators used are:

- ◆ Analysis of year to date spend against budget on a month by month basis;
- ◆ Distribution of spend against categories;
- ◆ Ratio analysis on payroll costs, operating margin and pupil:teacher ratio by department;
- ◆ Benchmarking analysis carried out using the Department for Education tools;
- ◆ Monthly cash balance; and
- ◆ Level of donations to the school in the form of sponsorship and voluntary contributions.

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 School 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.

In considering the appropriate basis on which to prepare the financial statements the Trustees are required to consider whether the Trust can continue in operational existence for the foreseeable future. The school now has all year groups in place and a full cohort in all year groups up to year 11 and has received full funding for each of these year groups from the ESFA.

STRATEGIC REPORT (continued)

Going concern (continued)

Given the strengthening reserves which are now £569,829 and the cash position of £818,277 as evidence of the Trust's liquidity and the Government's commitment to fully funded teacher pay rises the Trustees have prepared the financial statements on the going concern basis.

Financial review

Financial report for the year

Most of the School's income is obtained from the Education and Skills Funding Agency (ESFA), an agency for the DfE. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds (non-fixed assets) in the statement of financial activities.

In accordance with the Charities Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP), these grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Total income for the year ended 31 August 2023 amounted to £6,500,007 (2022 – £5,303,426) of which £110,961 (2022 – £6,608) related to donated fixed assets.

As the year ended 31 August 2023 was the tenth year of operation for the School and the eighth year of operating as an all-through school with a Senior Department. ESFA income from the General Annual Grant (GAG) increased to £4,824,263 (2022 – £3,910,368), reflecting the increase in pupil numbers as described above.

The other recurrent DfE / ESFA income relates to income for special areas and government initiatives including the Universal Infant Free School Meals, pupil premium and sports funding. Recurrent non-GAG income from the DfE amounted to £504,931 (2022 – £312,173).

The remaining income comprises donations and sponsorship during the period from private organisations and individual donations from the parents totalling £241,132 for the year ended 31 August 2023 (2022 – £201,938). Unrestricted income was also received for facilities hire, trips and the bus service. This income amounted to £361,966 (2022 – £350,509).

Capital additions in the year ended 31 August 2023, totalled £78,129 (2022 – £70,179) and were funded by capital grants from Surrey and the parent community. This included the purchase of a new minibus as well as equipment for the sports hall and auditorium to enable the Trust to run clubs and activities. The net book value of tangible fixed assets at 31 August 2023 was £21,486,339 (2022 – £21,873,405).

The School held total fund balances as at 31 August 2023 of £21,961,168 (2022 – £21,844,121) of which £21,463,498 (2022 – £21,558,405) was restricted in nature and £569,829 (2022 – £285,716) unrestricted. Of the total restricted funds, £21,519,171 (2022 – £21,873,405) has been set aside to represent the net book value of tangible fixed assets.

The School has a pension scheme liability of £95,000 (2022 – £315,000) which is also included in the restricted funds.

STRATEGIC REPORT (continued)

Financial review (continued)

Financial report for the year (continued)

After excluding net expenditure relating to the fixed asset fund of £354,234 (2022 – net expenditure of £1,331,887) and net expenditure in the restricted pension deficit reserve of £86,000 (2022 – £381,000), as well as the actuarial gain for the year of £306,000 (2022 – an actuarial gain of £1,423,000), the overall operational surplus for 2022/23 was £251,281 (2022 – £367,923 deficit).

The results for the year are shown on page 29.

Financial and risk management objectives and policies

The financial and risk management framework of Cobham Free School Trust supports the School in delivering its operational objectives within the constraints of the budget.

The School has a comprehensive set of Financial Regulations as well as Theft, Fraud and Corruption and Whistleblowing policies that have been developed and reviewed for the all through school. These policies set out the key elements of the financial management of the Trust including purchasing, payroll and cash management. These are managed by the Finance and Risk Sub-committee and reviewed annually.

The School has appointed an external organisation, School Business Services, to carry out a programme of internal scrutiny. Their role is to provide independent oversight of the School's financial affairs. The programme of internal scrutiny provides the Trust Board with independent assurance that:

- ◆ the financial responsibilities of the Trust Board are being properly discharged;
- ◆ resources are managed in an efficient, economical and effective manner;
- ◆ systems of internal financial control are being maintained; and
- ◆ financial considerations are fully taken into account in reaching decisions.

Principal risks and uncertainties

The principal risks to which the Trust is exposed are:

- ◆ Financial risk associated with ESFA's move to lagged funding from funding based on estimated pupils;
- ◆ Financial risk of a shortfall in funding arising from lower than anticipated 6th form pupil numbers;
- ◆ Risk of estate not meeting health and safety regulations and being appropriately maintained; and
- ◆ Operational risks such as those relating to people, technology and cyber;

STRATEGIC REPORT (continued)

Financial review (continued)

Principal risks and uncertainties (continued)

The Trust has a risk register that is reviewed by the Trustees. The Trustees recognise that risk cannot be completely eliminated but can be understood and controlled. An element of risk is always present when treading new ground and enabling innovation.

The Trustees' attitude to risk is conservative. Activities are undertaken with the clear understanding and awareness of the risks involved and action is taken to mitigate these risks where appropriate.

Reserves policy

The Trustees review the reserve levels of the School annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The School does not anticipate building up significant reserves; any unallocated income is kept to support the development programme of the school and to mitigate against any risks associated with the ongoing project as the highways works are completed and the Lodge becomes available for the use of the Trust.

The Trustees closely monitor the budgeting and forecasting process to maintain sufficient working reserves to cover the financial risks facing the Trust.

The School held fund balances as at 31 August 2023 of £21,961,168 (2022 – £21,844,121) which were composed primarily of restricted fixed asset funds of £21,519,171 (2022 – £21,873,405).

Excluding the restricted fixed asset fund and pension reserve, which shows a deficit of £95,000 (2022 – a deficit of £315,000), the School's free reserve balance at 31 August 2023 is £569,829 (2022 – £285,716) and is considered sufficient to meet the School's current and expected needs.

Investment policy

The Trustees assessed the level of funds available for investment during the period. Given the restraints on funding with the move to lagged funding of pupil numbers, the Trustees have ensured all funds are fully accessible as required. The Finance and Risk Sub-committee annually review the level of assets that are available for investment purposes. Any investments in the future will be restricted to low risk investments.

FUNDRAISING

The Trust is mindful of its duties under the provisions of the Charities (Protection and Social Investment) Act 2016 in relation to fundraising practices. Parents and carers are members of the Friends of Cobham Free School (FOCFS), which is a registered charity led by a committee of volunteers which organises fundraising events to support the school. One of the main aims of this organisation is to engage in activities or provide facilities or equipment that support the School and advance the education of the pupils. The majority of the funds are raised from hosting events for the parents and friends of the school such as a Christmas fair and summer ball.

FUNDRAISING (continued)

The Senior Leadership Team meet regularly with the Chair and members of the FOCFS committee to discuss their fundraising plans.

The school also actively fundraises for a number of established national and international charities throughout the year to benefit the wider community including Children in Need, Street Children, Anti-Bullying Alliance, Comic Relief, Children in Need, The Poppy Appeal, NSPCC, WE Act and Oasis Charitable Trust.

The fundraising approach is considered reasonable, not placing undue pressure on individuals to donate.

The Trust has not been made aware of any complaints made in relation to its fundraising practices during 2022/23.

The generosity and indefatigable efforts of the parents, pupil, staff and the whole school community have provided vital funds to help support the school.

PLANS FOR FUTURE PERIODS

Key priorities for the academic year ahead and beyond are to:

- ◆ Continue to embed the expansion of the school as it operates at capacity in Reception to Year 11 for the first time.
- ◆ Continue to develop the sixth form, increasing admissions and reviewing course provision.
- ◆ Continue to develop the school's operations in optimising use of the new permanent Main School site, including enhancements to the auditorium to enable the spaces to be used for performances and hires.
- ◆ Continue to develop the wider curriculum, including the extensive clubs programme and extra-curricular sports and music, and increase the number of residential trips.
- ◆ Work with the ESFA and contractors on any relevant aspects of the delivery of the road improvement works to Portsmouth Road, including the continued implementation of safe transport arrangements for pupils during this period.
- ◆ Plan for the use of the Lodge building and develop the space for educational purposes.
- ◆ Consider options available to expand the Trust to become a multi-academy trust.

Trustees' report Year to 31 August 2023

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 Members of the Board of Trustees and signed on its behalf by:

Howard Morris

Howard Morris
Chair of Trustees

Date: 14/12/2023

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that the Cobham Free School 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 have delegated the day-to-day responsibility to the Executive Head, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between the School and the Secretary of State for Education. The Executive Head is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of Trustees' responsibilities.

The Board maintains effective oversight over the Trust's finances by meeting at least three times per year and reviewing the reports of its dedicated Finance and Risk Committee.

The Board of Trustees has formally met five times during the year. The requirements of the Academy Trust Handbook have been met by having additional subcommittee meeting. The Finance and Risk Sub-committee met a further seven times and other subcommittees have also met on a regular basis. This is in compliance with the Academy Trust Handbook as the Finance sub-committee are also members of the Board. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr H Morris (<i>Chair</i>)	5	5
Mr R Andrews	5	5
Dr C Banks	5	5
Mrs C Beddison	5	5
Mr P Bedford	5	5
Mr N Cogswell	5	5
Mrs H Hutton-Attenborough	5	5
Mrs M Khatib (<i>Executive Head and Accounting Officer</i>)	5	5
Mrs T Lightbody	2	5
Mrs F Moss	1	2
Ms L Richardson	3	5
Ms A Saunders	2	5
Mr R Staegemann	0	1
Mr T Tiedt	1	2

An annual review of the Trustees' skills is undertaken. Any gaps identified are addressed via recruitment. The Members meet annually to review the effectiveness of the Trust Board.

Governance (continued)

The Finance and Risk Committee is a sub-committee of the main Board of Trustees. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr C Banks <i>Chair</i>	4	4
Mr P Bedford	4	4
Mr N Cogswell	4	4
Mrs M Khatib (Executive Head and Accounting Officer)	4	4
Mr H Morris	4	4

Mrs M. Khatib resigned as a Trustee 3rd October 2023.

Conflicts of interest

The Trust has in place processes to identify and manage any conflicts of interest should they arise. An up to date register of interests is maintained. This register of interests is raised at each Trust meeting to identify if there any areas being discussed that have a potential conflict. A new policy was put in place last year 'Managing conflicts and maintaining independent challenge policy'.

Review of value for money

As Accounting Officer, the Executive Head has responsibility for ensuring that the School 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, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the School's use of its resources has provided good value for money during the academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the academy trust has delivered and improved value for money during the year in the following ways:

- ♦ Running robust procurement for new contracts and careful price checking for all purchases.
- ♦ Raising additional funds by letting the school's facilities for the benefit of local community groups.
- ♦ Implementing recommendations from the School Resource Management Adviser including optimising teaching contact ratio.
- ♦ Implementing careful estate management through the Premises and Health and Safety sub-committee to ensure appropriate maintenance of the property and land.

Review of value for money (continued)

School Improvement – we have continued to explore ways to keep costs to a minimum while providing effective school improvement and Continuing Professional Development (CPD). Strategies have included:

- ◆ Making use of the government grants including school led tutoring enabling us to offer pupils more targeted support.
- ◆ Delivering our own in-house coaching programme for CPD to ensure teaching is at least good across the whole school.
- ◆ Supporting and developing newly qualified teachers (NQTs).
- ◆ Use of integrated financial curriculum planning to optimise timetable and personnel.
- ◆ Training our teaching assistants and learning support assistants to deliver effective group interventions to support learning across the school.

Raising achievement for all pupils through:

- ◆ Ensuring a consistently high quality of teaching of learning across all phases through the implementation of a 'one school' initiative.
- ◆ Developing the staff team through CPD and robust performance management.
- ◆ Continuing to embed the middle management structures through upskilling Heads of Department in the senior school and phase leaders in the junior.
- ◆ Continuing to deliver higher than national average results in public examinations in Key Stage 1 and 2 curriculum tests.
- ◆ Ensuring effective preparation for A level and GCSE examinations, with a high percentage of students undertaking Ebacc subjects.
- ◆ Providing opportunities beyond the academic curriculum, including an exceptional music and sports offer through our links with the Yehudi Menuhin School for string tuition, and Chelsea FC Foundation, The Cobham Rugby and Sports Association, and other specialist providers for sports.

The purpose of the system of internal control

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

Capacity to handle risk

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

Risk and control framework

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

- ◆ comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- ◆ regular reviews by the Finance and Risk 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;
- ◆ regular review of the estate by the Premises and Health and Safety committee to ensure appropriate maintenance and management of the Trust's estate.
- ◆ delegation of authority and segregation of duties; and
- ◆ identification and management of risks through the review of the School's risk register.

The Trust has a Service Level Agreement with School Business Services to provide a programme of internal scrutiny. During the year this programme covered the following areas:

1. Governance (including induction)
2. Registration of pecuniary interest and related party transactions
3. Self-evaluation of financial competencies
4. Risk register
5. Payroll
6. Financial procedures
7. Accounting system
8. Banking procedures

Risk and control framework (continued)

The outcome of the reviews was that risks were being mitigated to an acceptable level. Areas were identified where improvements could be made and these measures have been or are being implemented by the management team.

Review of effectiveness

As Accounting Officer, the Executive Head 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 scrutiny provider;
- ◆ the work of the external auditor; and
- ◆ the work of the Senior Leadership Team within the School who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has advised the Finance and Risk Committee of the implications of her review of the system of internal control, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

Howard Morris

Michaela Khatib

Howard Morris

Michaela Khatib

(Chair of Trustees)

(Accounting Officer)

Approved on: 14/12/2023

14/12/2023

Statement on regularity, propriety and compliance 31 August 2023

As Accounting Officer of Cobham Free School Trust, I have considered my responsibility to notify the School's Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the School's Board of Trustees are able to identify any material irregular or improper use of funds by the School, or material non-compliance with the terms and conditions of funding under the School's funding agreement and the Academy Trust Handbook 2022.

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

Michaela Khatib

Michaela Khatib

Accounting Officer

Date: 14/12/2023

Statement of Trustees' responsibilities 31 August 2023

The Trustees (who act as trustees of the School and are also the directors of the School for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in the Charities' SORP and the Academies Accounts Direction 2022 to 2023;
- ♦ make judgments and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in operation.

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

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

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

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

Howard Morris

Chair of Trustees Howard Morris

Date: 14/12/2023

Independent auditor's report to the members of Cobham Free School Trust

Opinion

We have audited the financial statements of Cobham Free School Trust (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, 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), 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) (the Charities SORP FRS 102) and the Academies Accounts Direction 2022 to 2023.

In our opinion, the financial statements:

- ♦ give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its income and expenditure, for the period 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 FRS 102 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 financial statements 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.

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, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report.

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP FRS 102, the Academies Accounts Direction 2022 to 2023, the Academy Trust Handbook 2022, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees.

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of trustees' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

Auditor's responsibilities for the audit of the financial statements (continued)

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. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

Use of our report

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



Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 15 December 2023

Independent reporting accountant's report 31 August 2023

Independent reporting accountant's assurance report on regularity to Cobham Free School Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 17 October 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cobham Free School Trust during the period from 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Cobham Free School Trust's accounting officer and the reporting auditor

The Accounting Officer is responsible, under the requirements of Cobham Free School Trust's funding agreement with the Secretary of State for Education dated 14 June 2012 and the Academy Trust Handbook 2022, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA.

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 School's income and expenditure.

Independent reporting accountant's report 31 August 2023

Approach (continued)

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the School's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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 from 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Buzzacott LLP

Reporting Accountant
Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Date: 15 December 2023

Statement of financial activities (including income and expenditure account) Year to 31 August 2023

	Notes	Unrestricted general fund £	Restricted funds		2023 Total funds £	2022 Total funds £
			General £	Fixed assets fund £		
Income from:						
Donations and capital grants	1	69,889	171,243	110,961	352,093	274,443
Charitable activities						
. Funding for the School's educational operations	2	—	5,785,865	—	5,785,865	4,678,394
Other trading activities	3	361,966	—	—	361,966	350,509
Investments	4	83	—	—	83	80
Total income		431,938	5,957,108	110,961	6,500,007	5,303,426
Expenditure on:						
Charitable activities						
. School's educational operations	5	219,984	6,003,781	465,195	6,688,960	7,386,562
Total expenditure		219,984	6,003,781	465,195	6,688,960	7,386,562
Net expenditure		211,954	(46,673)	(354,234)	(188,953)	(2,083,136)
Transfers between funds		72,159	(39,327)	(32,832)	—	—
Other recognised gains and losses						
Actuarial gains on defined benefit pension scheme	18	—	306,000	—	306,000	1,423,000
Net movement in funds		284,113	220,000	(387,066)	117,047	(660,136)
Reconciliation of funds						
Total fund balances brought forward at 1 September 2022		285,716	(315,000)	21,873,405	21,844,121	22,504,257
Total fund balances carried forward at 31 August 2023		569,829	(95,000)	21,486,339	21,961,168	21,844,121

All of the School's activities derived from continuing operations during the above two financial periods.

The School has no recognised gains and losses other than those shown above.

Balance sheet 31 August 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible fixed assets	11		21,486,339		21,873,405
Current assets					
Debtors	12	274,076		349,751	
Cash at bank and in hand		818,277		200,528	
		<u>1,092,353</u>		<u>550,279</u>	
Liabilities					
Creditors: amounts falling due within one year	13	(372,524)		(264,563)	
Net current assets			<u>719,829</u>		<u>285,716</u>
Total assets less current liabilities			22,206,168		22,159,121
Creditors: amounts falling due after one year	14		(150,000)		—
Net assets excluding pension scheme liability			22,056,168		22,159,121
Pension scheme liability	18		(95,000)		(315,000)
Total net assets			<u>21,961,168</u>		<u>21,844,121</u>
Funds of the School:					
Restricted funds					
Fixed assets fund	15		21,486,339		21,873,405
General fund	15		—		—
Pension reserve	15		(95,000)		(315,000)
Total restricted funds			<u>21,391,339</u>		<u>21,558,405</u>
Unrestricted funds					
General fund	15		569,829		285,716
Total funds			<u>21,961,168</u>		<u>21,844,121</u>

The financial statements on page 29 to 52 were approved by the Trustees, authorised for issue and are signed on their behalf by: Howard Morris

Howard Morris

Chair of Trustees

Date: 14/12/2023

Cobham Free School Trust
Company Limited by Guarantee
Registration Number: 07643477 (England and Wales)

Statement of cash flows Year to 31 August 2023

		2023 £	2022 £
Net cash flows from operating activities			
Net cash provided by (used in) operating activities	A	580,559	(683,905)
Cash flows from investing activities	B	37,190	2,406
Change in cash and cash equivalents in the year		617,749	(681,499)
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September 2022		200,528	882,027
Cash and cash equivalents at 31 August 2023	C	818,277	200,528

A Reconciliation of net expenditure to net cash provided by operating activities

	2023 £	2022 £
Net expenditure for the year (as per the statement of financial activities)	(188,953)	(2,083,136)
Adjusted for:		
Impairment	—	919,059
Depreciation (note 11)	465,195	485,333
Capital grants from DfE and other capital income (note 1)	(110,961)	(72,505)
Gain on disposal of assets	(4,275)	—
Interest receivable (note 4)	(83)	(80)
Defined benefit pension scheme cost less contributions payable (note 17)	71,000	355,000
Defined benefit pension scheme finance cost (note 17)	15,000	26,000
Decrease (increase) in debtors	75,675	(153,503)
Increase (decrease) in creditors	257,961	(160,073)
Net cash (used in) provided by operating activities	580,559	(683,905)

B Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	83	80
Proceeds from sale of tangible fixed assets	4,275	—
Additions to tangible fixed assets	(78,129)	(70,179)
Capital grants from DfE and other capital income (note 1)	110,961	72,505
Net cash provided by investing activities	37,190	2,406

C Analysis of changes in net debt

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash at bank and in hand	200,528	617,749	818,277
Total cash and cash equivalents	200,528	617,749	818,277

Statement of accounting policies

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

Basis of preparation

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

Cobham Free School meets the definition of a public benefit entity under FRS 102.

The accounts are presented in Sterling and are rounded to the nearest pound.

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 School 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.

In considering the appropriate basis on which to prepare the financial statements the Trustees are required to consider whether the Trust can continue in operational existence for the foreseeable future.

On the basis of the continuing financial support from the ESFA, the Trustees have prepared the financial statements on the going concern basis.

The Trustees' assessment of the going concern position is disclosed on page 9 of the Trustees' report.

Income

All income is recognised when the School 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.

Income (continued)

Grants (continued)

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

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

Private sponsorship

Sponsorship income provided to the School 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 School has provided the goods or services.

Donated goods, facilities and services

Donated services and facilities are recognised in income and expenditure when the charity has control over the item, conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that the economic benefit can be measured reliably.

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.

Charitable activities

These are costs incurred on the School's educational operations, including support costs and costs relating to the governance of the School.

All expenditure is stated net of recoverable VAT.

Tangible fixed assets

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

Tangible fixed assets (continued)

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

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

♦ Freehold & long leasehold buildings	2% per annum
♦ Other building components	10% to 20% per annum
♦ Furniture and equipment	10% to 20% per annum
♦ Computer equipment	20% to 33.3% per annum
♦ Motor vehicles	10% to 20% per annum

The valuation provided by the ESFA does not split out the Freehold and Leasehold buildings and so these have been included together within Note 11.

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.

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 School 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.

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.

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

Financial instruments (continued)

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.

Leased assets

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

Taxation

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

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 17, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund accounting

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

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

Restricted general funds comprise restricted funds received with restrictions imposed by the funder or donor and include grants from the Education and Skills Funding Agency.

Restricted other funds comprise all other restricted funds received and include grants from the Local Authority, Surrey County Council.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimate 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. This estimate also constitutes the key critical area of judgement by virtue of its significant effect on the financial statements.

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 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The School's permanent site was donated by the ESFA on 3 March 2021. The valuation of the land and buildings provided by the ESFA as at 31 August 2021 of both the leasehold and freehold properties has been used to inform the value of land and buildings recognised in the accounts for year ended 31 August 2023.

Notes to the Financial Statements Year to 31 August 2023

1 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed assets funds £	2023 Total funds £	2022 Total funds £
Capital grants	—	—	52,888	52,888	65,897
Private sponsorship	—	171,243	—	171,243	145,174
Donated fixed assets	—	—	—	—	6,608
Other donations	69,889	—	58,073	127,962	56,764
	69,889	171,243	110,961	352,093	274,443

	Unrestricted funds £	Restricted funds £	Restricted fixed assets funds £	2022 Total funds £
Capital grants	—	—	65,897	65,897
Private sponsorship	—	145,174	—	145,174
Donated fixed assets	—	—	6,608	6,608
Other donations	56,764	—	—	56,764
	56,764	145,174	72,505	274,443

2 Funding for the School's educational operations

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
DfE / ESFA grants				
General Annual Grant (GAG)	—	4,824,263	4,824,263	3,910,368
Teachers' Pension and Pay grants	—	13,226	13,226	14,821
Universal Infant Free School Meals	—	26,348	26,348	58,486
Pupil Premium	—	168,822	168,822	123,916
Other	—	296,535	296,535	114,950
	—	5,329,194	5,329,194	4,222,541
Other Government grants				
Local authority grants	—	345,919	345,919	325,480
	—	345,919	345,919	325,480
Other income from the academy trust's educational operations	—	79,336	79,336	70,829
COVID-19 additional funding (DfE/ESFA)				
Recovery premium	—	29,407	29,407	16,898
Other DfE/ESFA COVID-19 funding	—	2,009	2,009	42,646
	—	31,416	31,416	59,544
2023 Total funds	—	5,785,865	5,785,865	4,678,394

Notes to the Financial Statements Year to 31 August 2023

2 Funding for the School's educational operations (continued)

- ♦ The trust received £2,009 (2022 – £16,898) of funding for post 16 tutoring, which was all spent during the year with no balance remaining to be spent during 2023/24.

	Unrestricted funds £	Restricted funds £	2022 Total funds £
<i>DfE / ESFA grants</i>			
. General Annual Grant (GAG)	—	3,910,368	3,910,368
. Start Up Grants	—	—	—
. Teachers' Pension and Pay grants	—	14,821	14,821
. Universal Infant Free School Meals	—	58,486	58,486
. Pupil Premium	—	123,916	123,916
. Other	—	114,950	114,950
	—	4,222,541	4,222,541
<i>Other Government grants</i>			
. Local authority grants	—	325,480	325,480
	—	325,480	325,480
<i>Other income from the academy trust's educational operations</i>	—	70,829	70,829
<i>COVID-19 additional funding (DfE/ESFA)</i>			
. Recovery premium	—	16,898	16,898
. Other DfE/ESFA COVID-19 funding	—	42,646	42,646
	—	59,544	59,544
<i>COVID-19 additional funding (non-DfE /ESFA)</i>			
. Coronavirus Job Retention Scheme grant	—	—	—
. Other COVID-19 funding	—	—	—
	—	—	—
2022 Total funds	—	4,678,394	4,678,394

3 Other trading activities

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Hire of facilities	79,401	—	79,401	75,196
School trips	232,733	—	232,733	167,805
Miscellaneous income	49,832	—	49,832	107,508
	361,966	—	361,966	350,509

Notes to the Financial Statements Year to 31 August 2023

3 Other trading activities (continued)

	Unrestricted funds £	Restricted funds £	2022 Total funds £
<i>Hire of facilities</i>	75,196	—	75,196
<i>School trips</i>	167,805	—	167,805
<i>Miscellaneous income</i>	107,508	—	107,508
	350,509	—	350,509

4 Investment income

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
<i>Interest receivable</i>	83	—	83	80

	Unrestricted funds £	Restricted funds £	2022 Total funds £
<i>Interest receivable</i>	80	—	80

5 Expenditure

	Staff costs £	Non-pay expenditure		2023 Total funds £	2022 Total funds £
		Premises £	Other costs £		
<i>School's educational operations</i>					
· Direct costs	3,778,246	465,195	573,184	4,816,625	5,649,842
· Allocated support costs	851,949	618,371	402,015	1,872,335	1,736,720
	4,630,195	1,083,566	975,199	6,688,960	7,386,562
	4,630,195	1,083,566	975,199	6,688,960	7,386,562

	Staff costs £	Non-pay expenditure		2022 Total funds £
		Premises £	Other costs £	
<i>School's educational operations</i>				
· Direct costs	3,790,450	1,404,392	455,000	5,649,842
· Allocated support costs	784,988	598,456	353,276	1,736,720
	4,575,438	2,002,848	808,276	7,386,562
	4,575,438	2,002,848	808,276	7,386,562

Notes to the Financial Statements Year to 31 August 2023

5 Expenditure (continued)

Net income for the year includes:	2023 £	2022 £
Operating lease rentals	—	—
Gain on disposal of fixed assets	(4,275)	—
Depreciation	465,195	485,333
Impairment	—	919,059
Fees payable to auditor		
. Audit	13,000	9,710
. Other services	4,591	5,614

6 Charitable activities – School's educational operations

	2023 Total funds £	2022 Total funds £
Direct costs	4,816,625	5,649,842
Support costs	1,872,335	1,736,720
	6,688,960	7,386,562
	2023 Total funds £	2022 Total funds £
Support staff costs	851,949	784,988
Premises costs	618,371	598,456
Legal costs	—	11,996
Other support costs	384,424	325,956
Governance costs	17,591	15,324
Total support costs	1,872,335	1,736,720

Notes to the Financial Statements Year to 31 August 2023

7 Comparative information

	Notes	Unrestricted general fund £	Restricted funds		2022 Total funds £
			General £	Fixed assets fund £	
<i>Income from:</i>					
<i>Donations and capital grants</i>	1	56,764	145,174	72,505	274,443
<i>Charitable activities</i>					
<i>. Funding for the School's educational operations</i>	2	—	4,678,394	—	4,678,394
<i>Other trading activities</i>	3	350,509	—	—	350,509
<i>Investments</i>	4	80	—	—	80
<i>Total income</i>		<u>407,353</u>	<u>4,823,568</u>	<u>72,505</u>	<u>5,303,426</u>
<i>Expenditure on:</i>					
<i>Raising funds</i>	5	—	—	—	—
<i>Charitable activities</i>					
<i>. School's educational operations</i>	6	—	5,982,170	1,404,392	7,386,562
<i>Total expenditure</i>		<u>—</u>	<u>5,982,170</u>	<u>1,404,392</u>	<u>7,386,562</u>
<i>Net income (expenditure)</i>		407,353	(1,158,602)	(1,331,887)	(2,083,136)
<i>Transfers between funds</i>		(369,012)	371,338	(2,326)	—
<i>Other recognised gains and losses</i>					
<i>Actuarial gains (losses) on defined benefit pension scheme</i>	17	—	1,423,000	—	1,423,000
<i>Net movement in funds</i>		38,341	635,736	(1,334,213)	(660,136)
<i>Reconciliation of funds</i>					
<i>Total fund balances brought forward at 1 September 2021</i>		<u>247,375</u>	<u>(950,736)</u>	<u>23,207,618</u>	<u>22,504,257</u>
<i>Total fund balances carried forward at 31 August 2022</i>		<u>285,716</u>	<u>(315,000)</u>	<u>21,873,405</u>	<u>21,844,121</u>

8 Staff

(a) Staff costs

Staff costs during the year were:

	2023 Total funds £	2022 Total funds £
Wages and salaries	3,481,995	3,242,472
Social security costs	305,430	281,611
Operating costs of defined benefit pension schemes	802,032	1,037,426
	4,589,457	4,561,509
Supply teacher costs	40,738	13,929
Staff restructuring costs	—	—
	4,630,195	4,575,438

(b) Staff numbers

The average number of persons (including the Senior Management Team) employed by the School during the period was as follows:

Charitable activities	2023 No.	2022 No.
Teachers	72	68
Teaching support staff	62	51
Administration and support	13	15
Management	6	6
	153	140

(c) Higher paid staff

The number of employees whose benefits (excluding employer's pension contributions) exceeded £60,000 was:

	2023 No.	2022 No.
£60,001 – £70,000	2	—
£70,001 – £80,000	1	1

During 2023, the employees in question participated in the Teachers' Pension Scheme. Employer's pension contributions for these members of staff amounted to £47,349 (2022 – £17,513).

(d) Key management personnel

The key management personnel of the School comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer's national insurance and pension contributions) received by key management personnel for their services to the School was £500,274 (2022 – £463,931).

Notes to the Financial Statements Year to 31 August 2023

9 Trustees' remuneration and expenses

One or more Staff Trustees has been paid remuneration or has received other benefits from an employment with the School. The principal and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Head and staff members under their contracts of employment. No non-Staff Trustees received any financial remuneration. The value of Trustees' remuneration and other benefits was as follows:

	2023 £'000	2022 £'000
M Khatib (Executive Head and Trustee)		
Remuneration	70 – 80	70 – 80
Employer's pension contributions	15 – 20	15 – 20

During the year ended 31 August 2023, £132 of expenses were reimbursed to Staff Trustees in respect of expenditure incurred in their role as an employee (2022 – £nil).

Other related party transactions are set out in note 19.

10 Trustees' and Officers' insurance

In accordance with normal commercial practice, the School has purchased Risk Protection Arrangement (RPA) insurance from the DfE to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on School business. This has been purchased as part of a wider global insurance premium. The cost of belonging to the RPA for the year ended 31 August 2023 was £19,068 (2022 – £13,718). The insurance provides cover of up to £10 million on any one claim.

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total funds £
Cost/ valuation					
At 1 September 2022	22,680,688	1,091,898	925,478	31,140	24,729,204
Additions	—	42,962	—	35,167	78,129
Disposals	—	—	—	(7,895)	(7,895)
At 31 August 2023	22,680,688	1,134,860	925,478	58,412	24,799,438
Depreciation					
At 1 September 2022	1,634,588	510,653	686,995	23,563	2,855,799
Charge for the year	198,780	170,791	91,181	4,443	465,195
Disposals	—	—	—	(7,895)	(7,895)
At 31 August 2023	1,833,368	681,444	778,176	20,111	3,313,099
Net book value					
At 31 August 2023	20,847,320	453,416	147,302	38,301	21,486,339
At 31 August 2022	21,046,100	581,245	238,483	7,577	21,873,405

The School's permanent site was donated to the School by the ESFA on 3 March 2021. A valuation was provided by the ESFA as at 31 August 2021 of £21,245,000. Included within land and buildings, £11,300,000 relates to land which is not depreciated.

Notes to the Financial Statements Year to 31 August 2023

12 Debtors

	2023 £	2022 £
Trade debtors	5,195	16,959
VAT recoverable	111,913	74,925
Other debtors	102	101
Prepayments and accrued income	156,866	257,766
	274,076	349,751

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	114,486	92,020
Taxation and social security	70,149	67,799
Other creditors	2,109	714
Accruals and deferred income	185,780	104,030
	372,524	264,563
Deferred income		
Deferred Income at 1 September 2022	65,683	72,522
Amounts released from previous years	(65,683)	(72,522)
Resources deferred in the year	154,391	65,683
Deferred income at 31 August 2023	154,391	65,683

Deferred income of £154,391 (2022 – £65,683) relates to income received in advance of payment of business rates and UIFSM by the ESFA and income received in advance for school trips.

14 Creditors: amounts falling due in greater than one year

	2023 £	2022 £
Repayable grant to ESFA	150,000	—
	150,000	—

Notes to the Financial Statements Year to 31 August 2023

15 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
. General Annual Grant (GAG)	—	4,824,263	(4,784,936)	(39,327)	—
. Pupil Premium	—	168,822	(168,822)	—	—
. UIFSM	—	26,348	(26,348)	—	—
. Teachers Pay and Pension Grant	—	13,226	(13,226)	—	—
. Recovery/Catch-up premium	—	31,416	(31,416)	—	—
. Local Authority grants	—	345,919	(345,919)	—	—
. Other restricted funds	—	547,114	(547,114)	—	—
. Pension reserve	(315,000)	—	(86,000)	306,000	(95,000)
	<u>(315,000)</u>	<u>5,957,108</u>	<u>(6,003,781)</u>	<u>266,673</u>	<u>(95,000)</u>
Restricted fixed asset funds					
. DfE/ ESFA capital grants	306,421	52,888	(272,260)	25,955	113,004
. Donations in kind	21,562,313	—	(188,978)	—	21,373,335
. Restricted donations	4,671	58,073	(3,957)	(58,787)	—
	<u>21,873,405</u>	<u>110,961</u>	<u>(465,195)</u>	<u>(32,832)</u>	<u>21,486,339</u>
Total restricted funds	<u>21,558,405</u>	<u>6,068,069</u>	<u>(6,468,976)</u>	<u>233,841</u>	<u>21,463,498</u>
Unrestricted funds					
. General funds	285,716	431,938	(219,984)	72,159	569,829
Total unrestricted funds	<u>285,716</u>	<u>431,938</u>	<u>(219,984)</u>	<u>72,159</u>	<u>569,829</u>
Total funds	<u>21,844,121</u>	<u>6,500,007</u>	<u>(6,688,960)</u>	<u>306,000</u>	<u>21,961,168</u>

The transfer between DfE / ESFA capital grants and Donations in kind relates to the combined valuation of the land and building all of which is now within Donations in kind.

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

Restricted general funds

General Annual Grant (GAG)

This fund comprises the general annual grant received under the funding agreement with the Secretary of State, which is restricted for use in funding the School's educational operations. The transfer from the restricted fixed asset fund to the restricted GAG fund represents the use of Devolved Formula Capital grant funding to cover repairs and maintenance revenue expenditure.

Pupil premium

This fund represents funds granted by the Education and Skills Funding Agency which are specifically restricted to support pupils from low income families who are eligible for free school meals or have parents in the armed forces.

15 Funds (continued)

Restricted general funds (continued)

Other DfE/ ESFA grants

This fund represents all other grants from the ESFA which are restricted to funding the academy trust's educational activities, including Coronavirus support grants.

Local authority grants

These funds represent grants received from the Local Authority, Surrey County Council, which are restricted to educational purposes.

Other restricted funds

These funds comprise all other restricted funds received including private donations.

Pension reserve

The pension reserve has been created to separately identify the School's share of the local government pension scheme deficit. All pension scheme movements are recognised through this fund.

Restricted fixed asset funds

DfE/ ESFA capital grants

This fund represents resources which are to be applied for specific capital purposes imposed by the Department for Education or Education and Skills Funding Agency.

Donations in kind

This fund represents the net book value of the School's freehold and leasehold land and buildings at both the old Police Station and Main School site, which were received as a donation from the ESFA.

Restricted donations and private sector capital sponsorship

This fund represents the net book value of tangible fixed assets purchased using private and restricted donations.

General funds

These funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the Trustees.

During the year a transfer was made from unrestricted general funds to restricted general funds to support the in-year losses resulting from unfunded pupils as the Trust moved from pupil estimates to lagged pupil numbers.

Notes to the Financial Statements Year to 31 August 2023

15 Funds (continued)

Comparative information

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
· General Annual Grant (GAG)	406,264	3,910,368	(4,687,970)	371,338	—
· Universal Infant Free School Meals	—	58,486	(58,486)	—	—
· Pupil Premium	—	123,916	(123,916)	—	—
· Teachers Pay and Pension Grant	—	14,821	(14,821)	—	—
· Recovery/Catch-up premium	—	16,898	(16,898)	—	—
· Other DfE/ESFA COVID-19 funding	—	42,646	(42,646)	—	—
· Other DfE grants	—	114,950	(114,950)	—	—
· Local Authority grants	—	325,480	(325,480)	—	—
· Other restricted funds	—	216,003	(216,003)	—	—
· Pension reserve	(1,357,000)	—	(381,000)	1,423,000	(315,000)
	<u>(950,736)</u>	<u>4,823,568</u>	<u>(5,982,170)</u>	<u>1,794,338</u>	<u>(315,000)</u>
Restricted fixed asset funds					
· DfE/ ESFA capital grants	2,092,736	65,897	(132,197)	(1,720,015)	306,421
· Donations in kind	21,104,301	6,608	(1,266,285)	1,717,689	21,562,313
· Restricted donations	8,534	—	(3,863)	—	4,671
· Private sector capital sponsorship	2,047	—	(2,047)	—	—
	<u>23,207,618</u>	<u>72,505</u>	<u>(1,404,392)</u>	<u>(2,326)</u>	<u>21,873,405</u>
Total restricted funds	<u>22,256,882</u>	<u>4,896,073</u>	<u>(7,386,562)</u>	<u>1,792,012</u>	<u>21,558,405</u>
Unrestricted funds					
· General funds	247,375	407,353	—	(369,012)	285,716
Total unrestricted funds	<u>247,375</u>	<u>407,353</u>	<u>—</u>	<u>(369,012)</u>	<u>285,716</u>
Total funds	<u>22,504,257</u>	<u>5,303,426</u>	<u>(7,386,562)</u>	<u>1,423,000</u>	<u>21,844,121</u>

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total 2023 £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	—	—	21,486,339	21,486,339
Current assets	569,829	522,524	—	1,092,353
Current liabilities	—	(372,524)	—	(372,524)
Non-current liabilities	—	(150,000)	—	(150,000)
Pension scheme liability	—	(95,000)	—	(95,000)
Total net assets	569,829	(95,000)	21,486,339	21,961,168

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total 2022 £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	—	—	21,873,405	21,873,405
Current assets	285,716	264,563	—	550,279
Current liabilities	—	(264,563)	—	(264,563)
Pension scheme liability	—	(315,000)	—	(315,000)
Total net assets	285,716	(315,000)	21,873,405	21,844,121

17 Capital commitments

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

18 Pension and similar obligations

The School'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 Surrey County Council. Both are multi-employer defined benefit schemes.

Prior to 31 August 2023, the latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022. A further valuation of the TPS scheme, relating to the period ended 31 March 2020 was published in October 2023.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

18 Pension and similar obligations (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The actuarial valuation of the TPS which applied during the year ended 31 August 2023 was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The valuation result is due to be implemented from 1 April 2024, from this date employer contribution rates will increase to 28.68% (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £575,396 (2022 – £601,910).

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

18 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

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.

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

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

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £205,000 (2022 – £195,000), of which employer's contributions totalled £156,000 (2022 – £148,000) and employees' contributions totalled £49,000 (2022 – £47,000). The agreed contribution rates for future years are 16.2% for employers and 5.5% – 12.5% for employees.

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

	At 31 August 2023	At 31 August 2022
Principal Actuarial Assumptions		
Rate of increase in salaries	3.95%	3.95%
Rate of increase for pensions in payment / inflation	2.95%	3.05%
Discount rate for scheme liabilities	5.20%	4.25%
Inflation assumption (CPI)	2.95%	3.05%

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

	At 31 August 2023 Years	At 31 August 2022 Years
<i>Retiring today</i>		
Males	21.90	22.1
Females	25.00	24.5
<i>Retiring in 20 years</i>		
Males	22.00	23.1
Females	26.20	26.2

18 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

	At 31 August 2023 £	At 31 August 2022 £
Sensitivity Analysis: Impact on the net pension liability from changes in assumptions		
Discount rate -0.1%	37,000	41,000
Mortality assumption - 1 year increase	53,000	54,000
CPI rate +0.1%	38,000	41,000

The School's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2023 £	Fair value at 31 August 2022 £
Equities	937,080	785,840
Corporate bonds	147,960	144,760
Property	98,640	82,720
Cash and other liquid assets	49,320	20,680
Total market value of assets	1,233,000	1,034,000
Present value of scheme liabilities		
• Funded	(1,328,000)	(1,349,000)
Deficit in the scheme	(95,000)	(315,000)

The actual return on scheme assets was 3.3%% (2021 – (4.9)%).

	2023 £	2022 £
Amounts recognised in statement of financial activities		
Current service cost	(227,000)	(503,000)
Interest income	48,000	16,000
Interest cost	(63,000)	(42,000)
Total amount recognised in the SOFA	(242,000)	(529,000)
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	48,000	16,000
Interest on pension liabilities	(63,000)	(42,000)
Analysis of pension finance income/(costs)	(15,000)	(26,000)

	2023 £	2022 £
Changes in the present value of defined benefit obligations were as follows:		
At 1 September 2022	1,349,000	2,248,000
Current service cost	227,000	503,000
Interest cost	63,000	42,000
Employee contributions	49,000	47,000
Actuarial loss	(355,000)	(1,488,000)
Benefits paid	(5,000)	(3,000)
At 31 August 2023	1,328,000	1,349,000

18 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Changes in the fair value of the School's share of scheme assets:	2023 £	2022 £
At 1 September 2022	1,034,000	891,000
Interest income	48,000	16,000
Actuarial gain	(49,000)	(65,000)
Employer contributions	156,000	148,000
Employee contributions	49,000	47,000
Benefits paid	(5,000)	(3,000)
At 31 August 2023	1,233,000	1,034,000

19 Members' liability

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

20 Related party transactions

Owing to the nature of the School and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a member of the Board of Trustees has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the School's financial regulations and normal procurement policy.