

Company Registration No. 07721594 (England and Wales)

THE CORBET SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

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THE CORBET SCHOOL

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THE CORBET SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members

- Chair

Mr J M Golland
Mr R G Ford
Ms H Scarisbrick
Mr A Clarke
Mrs N M Hopwood-Clarke (Appointed 23 September 2021)

Governors

Ms S Appleby (Resigned 21 May 2021)
Mr R D Bothwell
Mr A Davies
Mr R G Ford
Ms V J Hussein
Ms J D Kear
Ms H T Scarisbrick (Chair)
Mr J Staniforth
Mr A Clark
Mr D Goodall
Dr J M Tinker (Head Teacher)
Mr J R Bent
Mr I D Nichols
Mr S Parry
Ms J Taylor
Mr J A M Leeson (Appointed 19 October 2020)
Mr J Wilson (Appointed 14 December 2020)
Mr J M Golland (Deceased 7 March 2021)

Senior leadership team

- Head Teacher
- Business Manager
- Assistant Head Teacher
- Assistant Head Teacher
- Assistant Head Teacher

Dr J Tinker
Mr K Rendell
Mr G Simms
Mrs A Millward
Mrs R V Stokes

Company secretary

Mr K Rendell

Company registration number

07721594 (England and Wales)

Registered office

Eyton Lane
Baschurch
Shrewsbury
Shropshire
SY4 2AX

Independent auditor

McIntocks (NW) Limited
46 Hamilton Square
Birkenhead
Wirral
Merseyside
CH41 5AR

THE CORBET SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

NatWest Bank plc
17 Church Street
Oswestry
Shropshire
SY11 2SX

Solicitors

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

THE CORBET SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Governors who are also directors of the Academy for the purposes of the Companies Act 2006, present their report with the financial statements of the Academy for the year ended 31 August 2021. The governors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency

Structure, governance and management

Constitution

The Corbet School is an exempt charity and a company limited by guarantee, not having a share capital.

The principal activity of The Corbet School is to establish, maintain and develop a secondary school for children aged between 11 and 16 years, offering a broad based and balanced curriculum for the benefit of individuals living in Baschurch and the surrounding area. The school has a capacity of 744 and had a roll of 739 in the census of January 2021.

In addition, it will also provide the public at large the provision of facilities for recreation or other leisure activity in the interest of social welfare, with the objective of improving the condition of life of the said individuals.

The Corbet School was originally a local authority operated school, with periods as 'Grant Maintained' and 'Foundation' school. It was founded in 1957 and converted to academy status on 1st September 2011. The charitable company was incorporated on 28th July 2011.

The Academy School is governed by rules and regulations set down in its company Memorandum and Articles of Association dated 8th August 2011.

Members' liability

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

Method of recruitment and appointment or election of Governors

The Governors have set up procedures that will enable regular reviews of the mix of skills that should be available to the board. New governors will then be sought with these skills, either as additional governors or replacement governors when existing governors stand down. It is anticipated that the great majority of new governors will be drawn from the local community being either parents or guardians of pupils at the school or others that have shown an interest in the future well-being of the school and its pupils. Recruitment is therefore likely to be a combination of approaches to individuals with known skills and by wider communications to those within Baschurch and the surrounding area.

There are four categories of Governor, 'Parent', 'Staff', 'Community', and 'Co-opted' Parents and Staff. Governors are nominated by election, with Community and Co-opted Governors by nomination. The term of office for any Governor shall be 4 years, save that this time limit will not apply to the Head Teacher.

The Board of Governors will carry out regular audits to identify skills, knowledge and experience present within the collective. At the time of recruitment the Governors will seek to attract any skills that are missing from the Board collectively.

The Corbet School supports both individual and groups of governors, in attending training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date.

THE CORBET SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Policies and procedures adopted for the induction and training of Governors

The Corbet School supports both individual and groups of governors, in attending training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date.

Organisational structure

The Governors have responsibility for setting and monitoring overall strategic direction of the charitable company, approving decisions reserved to governors and appointing key members of staff.

The Governors meet as a board six times each year. All decisions reserved to the governors are taken by the board as a whole. The main committees also met six times per year, with specific committees only operating when there is a matter arising that meets the Terms of Reference for that committee.

The committees are:

- Finance & Premises
- Curriculum
- Staffing & Personnel
- Admissions
- Heads Performance Review
- Staff Dismissal
- Staff Dismissal Appeals
- Complaints
- Pupil Welfare
- Pupil Discipline

Additionally, ad hoc groups of governors are established to consider specific issues and make recommendations to the board.

The school appoints a firm of Internal Auditors, who has an oversight role in relation to the systems and processes of financial control and risk management that operate throughout The Corbet School.

The Head Teacher is the Accounting Officer and works closely with both the other governors and the senior staff of The Corbet School.

The day-to-day management of The Corbet School rests with the Head Teacher who has overall responsibility for the school.

Operations

The School Leadership Team, together with other managerial colleagues prepare both annual and long term development plans which are presented for approval to the relevant Committees and the Board of Governors.

Each committee has Terms of Reference, which outline the responsibilities, and the delegated authority limits where applicable. The Terms of Reference are reviewed annually at the start of the academic year.

The Board of Governors consists of 18 Governors including the Head Teacher. There are 4 Staff Governors (including the Head Teacher), 6 Parent Governors, 5 Community Governors and 3 Co-opted Governors. In order for a quorum to be present there must be at least 50% of the Governors present at a meeting. This rises to 2/3rds of those currently in post for the elections to committees which usually takes place during the first Board meeting of the year.

THE CORBET SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Finance & Premises Committee has a membership of 6 Governors of which 3 must be present to reach a quorum. The main responsibilities are in respect of financial policy and operations which are detailed in the School Finance Manual, and receiving reports from the Responsible Officer. Premises responsibilities include the maintenance of the estate and all aspects of Health & Safety.

The Curriculum Committee has a membership of 6 Governors of which 3 must be present to reach a quorum. The main responsibilities are in respect of reviewing the school curriculum, setting objectives and monitoring pupil performance against those targets which will include academic, attendance and behaviour measures.

The Staffing & Personnel Committee has a membership 6 Governors of which 3 must be present to reach a quorum. Personnel responsibilities include the annual review of the staff establishment, introduction and review of personnel policies and procedures, together with all Industrial relations. Staff members are not eligible to contribute or vote on issues regarding individual staff pay which is also considered by this committee.

The Head Teachers Performance Review Committee has a membership 5 Governors of which 3 must be present to reach a quorum. Staff members are not eligible for this committee. The committee is responsible for the agreement of the Head Teacher's performance objectives after considering advice from the School Improvement Partner. They will also monitor performance against objectives in the Head's performance review.

The Admissions Committee has a membership of 5 Governors of which 3 must be present to reach a quorum. The committee is responsible for the School Admissions Policy and the allocation of school places for the following school year. The committee will also consider appeals from unsuccessful applicants.

The Staff Dismissal Committee has a membership of 4 Governors of which 3 must be present to reach a quorum. The Chair of the Board of Governors and Staff members are not eligible for this committee. The committee is involved in the disciplinary and grievance procedures for staff.

The Staff Dismissal Appeals Committee has a membership of 4 Governors of which 3 must be present to reach a quorum. The Chair of the Board of Governors will lead the committee. The committee is responsible for hearing any appeal against a Decision of the Staff Dismissal committee, or any appeal against a decision of another committee, an Individual Governor or the Head Teacher.

The Pupil Discipline Committee has a membership of 4 Governors of which 3 must be present to reach a Quorum. The Committee will consider the school principles on discipline and review Individual cases of fixed term exclusion.

The Complaints Committee has a membership of 4 Governors of which 3 must be present to reach a quorum.. Staff members are not eligible for this committee. The committee shall consider any formal complaint that the Head Teacher and the Chair of Governors have been unable to resolve under the school complaints procedure.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration policies are agreed annually by the Full Governing Body following the recommendation of the Staffing & Personnel Committee. The school complies with the nationally negotiated Teachers Pay & Conditions and are applied in line with local union negotiations.

The level of remuneration for The Head Teacher is set in accordance with the Head Teacher ranges detailed in the Teachers Pay & Conditions document. The remaining Senior Leadership posts are in accordance with ranges on the Leadership Spine as agreed by the Full Governing Body.

The Corbet School supports Trade Union representatives taking reasonable paid time off from their regular job to enable them to perform their union duties and to undertake relevant training. Trade union members, including representatives, may also ask for unpaid time off to undertake activities. Together, these arrangements constitute facility time.

THE CORBET SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	1.00

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	3,479,986
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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Related parties and other connected charities and organisations

The charitable company has no formal links with any related parties, however it does co-operate with other local primary and secondary schools to advance the quality of education for all pupils.

The charitable company does not have representation on any other body.

Objectives and activities

Objects and aims

The charitable objectives for which the charitable company was established are set down in the governing document as follows:

The principal activity of The Corbet School is to establish, maintain and develop a secondary school for children aged 11 – 16 years, offering a broad based and balanced curriculum for the benefit of individuals living in Baschurch and the surrounding area.

In addition it will also provide the public at large the provision of facilities for recreation or other leisure activities in the interest of social welfare, with the objective of improving the condition of life of the said individuals.

THE CORBET SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The school vision statement informs that 'we are a school where excellence, innovation and tradition, meet to fulfil the needs and aspirations of all members of our school community.'

In support of this the School Values are to :-

- Positively embrace change.
- Promote health for learning.
- Celebrate Achievement.
- Empower the individual.
- Be a vital part of the community.
- Provide innovative high-quality teaching.
- Inclusion at all levels.
- Promoting & preparing responsible citizens.
- Encourage independence.
- Instill a desire for lifelong learning.
- Promote high standards.
- Care for individuals.

Objectives, strategies and activities

Public benefit

The governors have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their statements on public benefits contained within this governors' annual report.

In accordance with its charitable objectives, the charitable company strives to advance the education of the pupils attending the school. The charitable company's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout the school.

In order to determine whether or not the charitable company has fulfilled its charitable objectives for public benefit, the governors gather evidence of the success of Academy School's activities, as indicated.

THE CORBET SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

The school has continued to operate as an 11- 16 secondary school serving the area between Shrewsbury and Oswestry centred around the village of Baschurch in Shropshire. The number of pupils has increased from 731 to 739 and is expected to increase again in the next few years. The school was last inspected by Ofsted in February 2017 when it was judged as 'continuing to be good, with effective safeguarding'

This year the school has lost one of its finest supporters. John Golland, sadly passed away in March 2021 after representing the school as a Governor for over 20 years.

During this time he has contributed to school in many positive ways, as a Trust Member, and also as Chair of Governors. He was a perceptive, kind and considerate man who was well respected by everyone. He willingly gave his time to school, where his influence and contribution have been outstanding.

The school has sold a 'Caretakers House' that was located opposite the school and has reinvested the sale proceeds to extend and refurbish the changing room facilities. Further refurbishment to Science laboratories has also started.

Both projects will run across the financial year end.

This year has also seen the installation of a new finance and budgeting system which has been in operation since January 2021. The system adds greater detail and compatibility which will be an advantage in future years.

We continue to provide a broad and balanced curriculum that can cater for the whole ability range and is accessible for all pupils. Academic achievement was strong, and in line with recent years. Pupils and staff worked hard to deal with ever changing advice on assessment protocols in the absence of traditional examinations.

We continue to work with our feeder primary schools to ensure there is a collaborative approach to local education, which supports the transition of pupils from primary to the secondary phase. The school has temporarily suspended both Drama and Music productions, as well as trips and other extra curricular activities as a result of the Covid pandemic. The primary schools are still supported by our Primary Sports Co-ordinator through resources and activity suggestions. These activities are expected to start again in September but may be restricted due to Covid pandemic advice, particularly over the winter period.

Operations have been changed considerably to ensure that all pupils, staff, and visitors remain safe when in school.

School maintained good attendance levels to support vulnerable pupils and children of key workers during periods of lockdown.

The school has a dynamic Risk Assessment in place which informs school operations, and is published on the school website for all stakeholders to see.

Overall, a successful year in difficult circumstances.

Key performance indicators

The governors use the following key measures to assess the success of the activities of the charitable company

- Examination Results
- Attendance Measures
- Behaviour Monitoring
- Achievement against Targets (FFT)
- Financial Monitoring against budget
- Internal Audit Reports & independent Annual Audit

THE CORBET SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Impact of Activities & Events and Assessment of Public Benefit

The school has had another excellent year of academic results, with the headline figures as follows:-

Average Attainment 8 Grade 5.66

86.9% of pupils achieved grades 9-4 in English & Maths, with 67.6% achieving grades 9-5.

Behaviour monitoring continues to demonstrate that behaviour is well managed and attendance levels continue to show that pupils want to come to school.

The behaviour record and sustained academic achievement continues to ensure that the school is very popular, which is evidenced by a high demand for places from both within and outside the school catchment area.

The school continues to manage its finances and resources very carefully. Regular reports are made to Governors which detail any variance to the budget plan. Actual performance has been closely aligned to the budget plan for a number of years and this has continued in the current period.

Going concern

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

THE CORBET SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

Most of the Academy income is received from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA in the period ended 31st August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also received grants from the ESFA and other organisations. In accordance with the Charities Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the restricted general fund and fixed asset fund. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned.

The school continues to monitor finances very closely as funding pressures have an increasing impact on school operations. The school remains successful and is attracting a good level of interest from future pupils. The number on roll has increased this year (731 to 739) and is predicted to continue to increase slightly over the next few years. There is a substantial level of property development within the catchment area which is expected to have a positive impact on school numbers over the longer term.

The level of funding received is primarily based on the number of pupils on roll from the previous October Census, and as pupil numbers increase there is therefore a time lag in funding. The school has a positive cash flow and there is no pressure on the school in respect of meeting its commitments and liabilities.

During the period ended 31st August 2021, total income amounted to £4,368,736 (2020: £3,980,363) from which was deducted expenditure of £4,403,508 (2020: £4,097,991), leaving a net deficit of £34,772 (2020: deficit £117,628). This deficit has been reduced by an actuarial gain on the Local Authority Pension Scheme of £108,000 (2020: deficit of £68,000) resulting in a surplus for the year of £73,228 (2020: deficit £185,628).

At 31st August 2021 the net book value of fixed assets amounted to £4,763,551 (2020 £4,787,715) and movements in fixed assets are shown in note 12 to the financial statements. The academy continues to have positive net current assets of £526,734 (2020 £371,988) and overall net assets of £3,124,750 (2020: £3,051,522). The school ends the year in a positive financial position, with sufficient cash reserves to continue to operate effectively. The school remains committed to ensuring a long-term balanced budget is maintained.

The building continues to be the main school asset with the Local Government Pension Scheme deficit the main liability.

Reserves policy

The governors' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the school and to fund future projects. The governors intend to review the reserves policy annually to ensure that this aim can be achieved.

At the balance sheet date, the academy had reserves of £3,051,522.

The Academy current level of free reserves (total reserves less the amounts held in fixed asset reserve and restricted fund reserve) is £165,688.

Additionally the Governors have decided that it is prudent to build a reserve of restricted funds which equates on average to an average of two months' expenditure to safeguard against unforeseen circumstances, late ESFA payments, emergencies and other catastrophes. This is sound commercial practice designed to safeguard the quality of education received at the Academy within the Trust.

THE CORBET SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Investment policy

The governors' investment powers are set down in the charitable company's Memorandum and Articles of association, which permits the investment of monies of the charitable company that are not immediately required for its purpose in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The charitable company's current policy is to invest surplus funds in short-term cash deposits, where there is no risk to the capital invested.

Principal risks and uncertainties

The school manages the risk to its Capital Funds by limiting investments to Bank/Building Society accounts where there is no risk to the capital invested.

Surplus funds are held in interest bearing accounts and transferred to support expenditure in accordance with the monthly cash flow reconciliation.

The school usually operates on a 30 days credit terms and has monitoring systems in place to manage outstanding amounts.

The Local Government Pension Scheme is the major liability, although this has been underwritten by Central Government.

The school Risk Management Framework accepts that there will be an element of risk in some operations and seeks to manage the risk within acceptable limits. Strategic and operational risk are both considered by the Finance & Premises Committee, which also undertakes the audit function.

The principle risks are considered to be:

- Protection of Pupils, Staff and Visitors
- Protection of School Property & Assets
- Maintaining the School Reputation and Numbers on Roll
- Fraud & Financial Mismanagement
- Establishing a High Quality Staff
- Security of Data & Information
- Critical Failure ceasing Operations

The risks are actively managed by a programme of Risk Management & Internal Controls.

Fundraising

The School receives donations from Parents on an annual basis and claims Gift Aid on these donations where eligible. In addition there are a number of fund raising days throughout the year where pupils raise funds for the school and other selected charities.

The Corbet Friends Association (CFA) support the school with fundraising events and contribute funds towards the purchase of equipment and improvements to facilities in accordance with priorities agreed with school. An example of this would be their contribution to Art Kiln which was jointly funded with the School. Due to the pandemic there have been no fund raising events this year.

THE CORBET SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

The school is determined to maintain its reputation as one of the top performing schools in Shropshire. The school therefore undertakes to recruit and develop a highly skilled workforce, and combines this with tight financial management and effective leadership to ensure the pupils always remain the prime focus.

The school will continue to seek funding opportunities in respect of the school estate to provide a positive learning environment.

The school will continue to work together with our primary feeder schools, and other local stakeholders and seek opportunities for mutual benefit.

Funds held as custodian trustee on behalf of others

Although the charitable company maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, The Corbet School does not hold, and the governors do not anticipate that it will in the future hold, any funds as custodian for any third party.

Auditor

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governors 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 external auditors, McLintocks (NW) Limited and the internal auditors WR Partners, have both been re-appointment at the Annual Members Meeting on 23rd September 2021

The Governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 13 December 2021 and signed on its behalf by:

Ms H T Scarisbrick
Chair

Helen Scarisbrick

THE CORBET SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The board of governors has delegated the day-to-day responsibility to the principal, 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 Corbet School and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 6 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governors	Meetings attended	Out of possible
Ms S Appleby (Resigned 21 May 2021)	5	6
Mr R D Bothwell	6	6
Mr A Davies	6	6
Mr R G Ford	5	6
Ms V J Hussein	6	6
Ms J D Kear	6	6
Ms H T Scarisbrick (Chair)	6	6
Mr J Staniforth	6	6
Mr A Clark	5	6
Mr D Goodall	5	6
Dr J M Tinker (Head Teacher)	6	6
Mr J R Bent	5	6
Mr I D Nichols	5	6
Mr S Parry	4	6
Ms J Taylor	5	6
Mr J A M Leeson (Appointed 19 October 2020)	6	6
Mr J Wilson (Appointed 14 December 2020)	4	6
Mr J M Golland (Deceased 7 March 2021)		

The Finance and Premises Committee is a sub-committee of the main board of governors. Its purpose is to provide the finance and management control for the Academy.

THE CORBET SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mr R D Bothwell	6	6
Mr A Davies	6	6
Ms J D Kear	2	6
Ms H T Scarisbrick (Chair)	5	6
Mr A Clark	4	6
Dr J M Tinker (Head Teacher)	6	6
Mr I D Nichols	3	6
Mr J A M Leeson (Appointed 19 October 2020)	4	6
Mr J Wilson (Appointed 14 December 2020)	3	6

Review of value for money

As Accounting Officer the Principal has responsibility for ensuring that the Academy Trust continues to deliver value for money in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The Accounting officer considers how the Academy's use of resources has provided good value for money during each academic year, and reports to the Board of Governors where value for money can be improved. Data benchmarking and local school comparisons are utilised to drive improvement where available.

The Accounting officer has delivered improved value for money during the current year in many ways, including the following:-

All staff vacancies are reviewed to test if a post is still required, or if it can be combined with other existing posts. Where a post is still needed the responsibility level and salary grade is reviewed to ensure that we achieve 'best value' in our staff resources.

Best value procurement and fair competition practices continue to be applied through quotation and tender procedures which are applied to purchases above £1,000.

Future capital funding bids will continue to focus on areas that will also contribute to the fabric and condition of the school, to ensure a positive learning environment is maintained, and to ensure the safety and wellbeing of pupils and staff.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Corbet School for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

THE CORBET SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Capacity to handle risk

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

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of governors;
- Regular reviews by the finance and premises committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided to appoint an internal auditor, Whittingham Riddell. The Internal Auditors role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular, the checks carried out in the current period include:-

- Financial Systems & Procedures.
- Compliance with the Academies Financial Handbook.
- Governance.

The Internal Auditor reports to the board of Governors, through the audit item on the Finance & Premises Committee.

The Internal Auditor has delivered their full schedule of work, although some of the work was undertaken later than planned due to the Covid pandemic. There have been no significant issues identified.

Review of effectiveness

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

- The work of the responsible officer
- The work of the external auditor;
- The financial management process;
- The work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

THE CORBET SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and premises committee/audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of governors on 13 December 2021 and signed on its behalf by:

Ms H T Scarisbrick
Chair

Helen Scarisbrick

Dr J M Tinker
Head Teacher

J M Tinker

THE CORBET SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

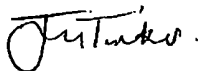
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

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

Dr J M Tinker
Accounting Officer



13 December 2021

THE CORBET SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

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

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

In preparing these accounts, the Governors are required to:

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

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

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

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

Approved by order of the members of the board of governors on 13 December 2021 and signed on its behalf by:

Ms H T Scarisbrick
Chair

Helen Scarisbrick.

THE CORBET SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CORBET SCHOOL FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

THE CORBET SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CORBET SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' report including the incorporated 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 academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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.

THE CORBET SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CORBET SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 academy through discussions with Governors and other management, and from our knowledge and experience of academy sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the Companies Act 2006, data protection, anti-bribery, employment, food hygiene and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management team and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of noncompliance throughout the audit.

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

- making enquiries of management team 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;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

THE CORBET SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CORBET SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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.



Helen Furlong FCCA (Senior Statutory Auditor)
for and on behalf of McLintocks (NW) Limited

21.12.21

Chartered Accountants
Statutory Auditor

46 Hamilton Square
Birkenhead
Wirral
Merseyside
CH41 5AR

THE CORBET SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 25 June 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Corbet School during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Corbet School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Corbet School's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes
- Review of Internal Assurance reports
- Review of Register of Interests
- Review of related party transactions
- Review of internal control procedures
- Review of capital expenditure tendering process

THE CORBET SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2021

Conclusion

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

McLintocks (NW) Limited

Reporting Accountant
McLintocks (NW) Limited

Dated: 21.12.21

THE CORBET SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and capital grants	3	-	-	16,327	64,880
Charitable activities:					
- Funding for educational operations	4	-	4,335,704	4,335,704	3,908,061
Other trading activities	5	16,685	-	16,685	7,123
Investments	6	20	-	20	299
Total		16,705	4,335,704	4,368,736	3,980,363
Expenditure on:					
Raising funds	7	538	728	1,266	4,328
Charitable activities:					
- Educational operations	8	-	4,305,915	4,402,242	4,093,663
Total	7	538	4,306,643	4,403,508	4,097,991
Net income/(expenditure)		16,167	29,061	(80,000)	(117,628)
Transfers between funds	17	-	(22,410)	-	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension schemes	19	-	108,000	108,000	(68,000)
Net movement in funds		16,167	114,651	73,228	(185,628)
Reconciliation of funds					
Total funds brought forward		149,521	(1,840,984)	3,051,522	3,237,150
Total funds carried forward		165,688	(1,726,333)	3,124,750	3,051,522

THE CORBET SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020	Notes	Unrestricted funds £	Restricted funds: General	Fixed asset £	Total 2020 £
Income and endowments from:					
Donations and capital grants	3	-	-	64,880	64,880
Charitable activities:					
- Funding for educational operations	4	13,696	3,894,365	-	3,908,061
Other trading activities	5	7,123	-	-	7,123
Investments	6	299	-	-	299
Total		21,118	3,894,365	64,880	3,980,363
Expenditure on:					
Raising funds	7	4,328	-	-	4,328
Charitable activities:					
- Educational operations	8	-	3,914,525	179,138	4,093,663
Total	7	4,328	3,914,525	179,138	4,097,991
Net income/(expenditure)		16,790	(20,160)	(114,258)	(117,628)
Transfers between funds	17	-	50,176	(50,176)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(68,000)	-	(68,000)
Net movement in funds		16,790	(37,984)	(164,434)	(185,628)
Reconciliation of funds					
Total funds brought forward		132,731	(1,803,000)	4,907,419	3,237,150
Total funds carried forward		149,521	(1,840,984)	4,742,985	3,051,522

THE CORBET SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		4,763,551		4,787,715
Current assets					
Debtors	13	99,997		87,437	
Cash at bank and in hand		545,911		337,510	
		<u>645,908</u>		<u>424,947</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(125,820)		(59,605)	
Net current assets			520,088		365,342
Total assets less current liabilities			<u>5,283,639</u>		<u>5,153,057</u>
Creditors: amounts falling due after more than one year	15		(49,889)		(67,535)
Net assets before defined benefit pension scheme liability			<u>5,233,750</u>		<u>5,085,522</u>
Defined benefit pension scheme liability	19		(2,109,000)		(2,034,000)
Total net assets			<u><u>3,124,750</u></u>		<u><u>3,051,522</u></u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			4,685,395		4,742,985
- Restricted income funds			382,667		193,016
- Pension reserve			(2,109,000)		(2,034,000)
Total restricted funds			<u>2,959,062</u>		<u>2,902,001</u>
Unrestricted income funds	17		<u>165,688</u>		<u>149,521</u>
Total funds			<u><u>3,124,750</u></u>		<u><u>3,051,522</u></u>

The accounts on pages 25 to 45 were approved by the Governors and authorised for issue on 13 December 2021 and are signed on their behalf by:

Ms H T Scarisbrick
Chair

Heleen Scarisbrick.

Company Number 07721594

THE CORBET SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by operating activities	20		281,862		72,539
Cash flows from investing activities					
Dividends, interest and rents from investments		20		299	
Capital grants from DfE Group		16,327		62,486	
Capital funding received from sponsors and others		-		2,394	
Purchase of tangible fixed assets		(302,833)		(133,289)	
Proceeds from sale of tangible fixed assets		230,671		-	
Net cash used in investing activities			(55,815)		(68,110)
Cash flows from financing activities					
Repayment of long term government loan		(17,646)		33,962	
Net cash (used in)/provided by financing activities			(17,646)		33,962
Net increase in cash and cash equivalents in the reporting period			208,401		38,391
Cash and cash equivalents at beginning of the year			337,510		299,119
Cash and cash equivalents at end of the year			<u>545,911</u>		<u>337,510</u>

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 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.

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Donations

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

Other income

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

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 Expenditure

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

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

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

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

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

Land and buildings	Land not depreciated, 2% straight line
Computer equipment	20-33.3% straight line
Fixtures, fittings & equipment	15-20% straight line

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.9 Taxation

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

1.10 Pensions benefits

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

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

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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

1.11 Fund accounting

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

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

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

1.12 Concessionary loans

Concessionary loans are initially recognised as a liability at the amount received, with the carrying amount being adjusted in subsequent years to reflect repayments made.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Capital grants	-	16,327	16,327	62,486
Other donations	-	-	-	2,394
	-	16,327	16,327	64,880

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE/ESFA grants				
General annual grant (GAG)	-	3,737,556	3,737,556	3,459,533
Other DfE/ESFA grants:				
Pupil premium	-	129,341	129,341	109,473
Others	-	248,984	248,984	158,195
	-	4,115,881	4,115,881	3,727,201
Other government grants				
Local authority grants	-	212,857	212,857	127,625
Other incoming resources	-	6,966	6,966	53,235
Total funding	-	4,335,704	4,335,704	3,908,061

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	75	-	75	1,914
Reprographic sales	581	-	581	1,123
Other income	16,029	-	16,029	4,086
	16,685	-	16,685	7,123

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Short term deposits	20	-	20	299

7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2021 £	Total 2020 £
Expenditure on raising funds					
- Direct costs	-	-	1,266	1,266	4,328
Academy's educational operations					
- Direct costs	3,218,776	43,973	212,126	3,474,875	2,568,174
- Allocated support costs	460,606	201,861	264,899	927,366	1,525,488
	<u>3,679,382</u>	<u>245,834</u>	<u>478,291</u>	<u>4,403,507</u>	<u>4,097,990</u>

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Fees payable to auditor for:		
- Audit	-	6,000
- Other services	-	3,408
Depreciation of tangible fixed assets	179,482	179,137
Gain on disposal of fixed assets	(83,156)	-
Net interest on defined benefit pension liability	38,000	34,000

8 Charitable activities

	2021 £	2020 £
All from restricted funds:		
Direct costs		
Educational operations	3,474,875	2,568,174
Support costs		
Educational operations	927,366	1,525,488
	<u>4,402,241</u>	<u>4,093,662</u>

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Charitable activities

(Continued)

	2021 £	2020 £
Analysis of support costs		
Support staff costs	460,606	1,132,373
Depreciation	52,353	48,822
Technology costs	82,522	57,568
Premises costs	149,508	114,134
Legal costs	1,878	-
Other support costs	171,786	163,183
Governance costs	8,713	9,408
	<u>927,366</u>	<u>1,525,488</u>

9 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	2,668,246	2,459,490
Social security costs	229,738	215,675
Pension costs	719,242	690,712
Staff costs - employees	<u>3,617,226</u>	<u>3,365,877</u>
Agency staff costs	62,156	46,105
	<u>3,679,382</u>	<u>3,411,982</u>
Staff development and other staff costs	11,298	29,183
Total staff expenditure	<u>3,690,680</u>	<u>3,441,165</u>

Staff numbers

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

	2021 Number	2020 Number
Teachers	41	35
Administration and support	53	38
Management	5	4
	<u>99</u>	<u>77</u>

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

(Continued)

Higher paid staff

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

	2021 Number	2020 Number
£60,0001 - £70,000	4	3
£80,001 - £90,000	1	1

Key management personnel

The key management personnel of the academy trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £429,065 (2020 £427,046).

10 Governors' remuneration and expenses

One or more of the Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as Governors.

The value of Governors' remuneration and other benefits was as follows:

J Tinker (principal and trustee):

- Remuneration £75,000 - £80,000 (2020: £70,000 - £75,000)
- Employer's pension contributions £15,000 - £20,000 (2020: £15,000 - £20,000)

F Gerrard (staff trustee):

- Remuneration £Nil (2020: £40,000-£45,000)
- Employer's pension contributions £Nil (2020: £10,000 - £15,000)

J Kear (staff trustee):

- Remuneration £20,000 - £25,000 (2020: £20,000-£25,000)
- Employer's pension contributions £5,000 - £10,000 (2020: £5,000 - £10,000)

D Goodall (staff trustee):

- Remuneration £40,000 - £45,000 (2020: £35,000 - £40,000)
- Employer's pension contributions £10,000 - £15,000 (2020: £5,000 - £10,000)

J Wilson (staff trustee):

- Remuneration £20,000 - £25,000 (2020: n/a)
- Employer's pension contributions £0 - £5,000 (2020: n/a)

During the year, travel and subsistence payments totalling £ Nil (2020: £ Nil) were reimbursed or paid directly to 0 Governors (2020: 0 Governors).

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

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Governors' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2020	5,572,026	157,418	419,444	6,148,888
Additions	300,326	-	2,507	302,833
Disposals	(147,515)	-	-	(147,515)
At 31 August 2021	5,724,837	157,418	421,951	6,304,206
Depreciation				
At 1 September 2020	936,754	144,081	280,338	1,361,173
Charge for the year	127,129	8,901	43,452	179,482
At 31 August 2021	1,063,883	152,982	323,790	1,540,655
Net book value				
At 31 August 2021	4,660,954	4,436	98,161	4,763,551
At 31 August 2020	4,635,272	13,337	139,106	4,787,715

13 Debtors

	2021 £	2020 £
VAT recoverable	18,191	6,451
Other debtors	10,854	9,761
Prepayments and accrued income	70,952	71,225
	99,997	87,437

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Government loans	17,646	17,646
Trade creditors	21,485	34,444
Other creditors	10,420	-
Accruals and deferred income	76,269	7,515
	<u>125,820</u>	<u>59,605</u>

15 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Government loans	<u>49,889</u>	<u>67,535</u>
Analysis of loans	2021 £	2020 £
Wholly repayable within five years	67,535	85,181
Less: included in current liabilities	(17,646)	(17,646)
Amounts included above	<u>49,889</u>	<u>67,535</u>
Loan maturity		
Debt due in one year or less	17,646	17,646
Due in more than one year but not more than two years	17,646	17,646
Due in more than two years but not more than five years	32,243	49,889
	<u>67,534</u>	<u>85,180</u>

The above loans are Salix Loans received from the ESFA, these loans are interest free and repayable over 8 years.

16 Deferred income

	2021 £	2020 £
Deferred income is included within:		
Creditors due within one year	<u>271</u>	<u>-</u>

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Deferred Income

(Continued)

Deferred income at 1 September 2020	-	5,334
Released from previous years	-	(5,334)
Resources deferred in the year	271	-
Deferred income at 31 August 2021	271	-

17 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	193,016	3,737,556	(3,525,495)	(22,410)	382,667
Other DfE / ESFA grants	-	378,325	(378,325)	-	-
Other government grants	-	212,857	(212,857)	-	-
Other income	-	6,966	(6,966)	-	-
Pension reserve	(2,034,000)	-	(183,000)	108,000	(2,109,000)
	<u>(1,840,984)</u>	<u>4,335,704</u>	<u>(4,306,643)</u>	<u>85,590</u>	<u>(1,726,333)</u>
Restricted fixed asset funds					
Inherited on conversion	3,821,205	-	7,875	-	3,829,080
DfE group capital grants	822,506	16,327	(66,038)	-	772,795
Capital expenditure from reserves	54,908	-	(25,454)	22,410	51,864
Other capital fund	44,366	-	(12,710)	-	31,656
	<u>4,742,985</u>	<u>16,327</u>	<u>(96,327)</u>	<u>22,410</u>	<u>4,685,395</u>
Total restricted funds	<u>2,902,001</u>	<u>4,352,031</u>	<u>(4,402,970)</u>	<u>108,000</u>	<u>2,959,062</u>
Unrestricted funds					
General funds	<u>149,521</u>	<u>16,705</u>	<u>(538)</u>	<u>-</u>	<u>165,688</u>
Total funds	<u>3,051,522</u>	<u>4,368,736</u>	<u>(4,403,508)</u>	<u>108,000</u>	<u>3,124,750</u>

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

(Continued)

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Capital grants are awarded by the DfE/ESFA to fund building and maintenance projects within the Academy.

The gross transfer from restricted general fund to restricted fixed asset fund represents the General Annual Grant (GAG) surpluses on capital projects.

The costs and income associated with the Local Authority Pension Scheme have been recorded in the restricted funds in the current year. This does not mean that an immediate liability for this amount will crystallise.

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	3,459,533	(3,316,693)	50,176	193,016
Other DfE / ESFA grants	-	267,668	(267,668)	-	-
Other government grants	-	127,625	(127,625)	-	-
Other income	-	39,539	(39,539)	-	-
Pension reserve	(1,803,000)	-	(163,000)	(68,000)	(2,034,000)
	<u>(1,803,000)</u>	<u>3,894,365</u>	<u>(3,914,525)</u>	<u>(17,824)</u>	<u>(1,840,984)</u>
Restricted fixed asset funds					
Transfer on conversion	3,900,679	-	(79,474)	-	3,821,205
DfE group capital grants	802,003	62,486	(66,525)	24,542	822,506
Capital expenditure from GAG	147,240	-	(20,658)	(71,674)	54,908
Private sector capital sponsorship	57,497	2,394	(12,481)	(3,044)	44,366
	<u>4,907,419</u>	<u>64,880</u>	<u>(179,138)</u>	<u>(50,176)</u>	<u>4,742,985</u>
Total restricted funds	<u>3,104,419</u>	<u>3,959,245</u>	<u>(4,093,663)</u>	<u>(68,000)</u>	<u>2,902,001</u>
Unrestricted funds					
General funds	<u>132,731</u>	<u>21,118</u>	<u>(4,328)</u>	<u>-</u>	<u>149,521</u>
Total funds	<u>3,237,150</u>	<u>3,980,363</u>	<u>(4,097,991)</u>	<u>(68,000)</u>	<u>3,051,522</u>

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	4,763,551	4,763,551
Current assets	214,236	382,667	49,005	645,908
Creditors falling due within one year	(48,548)	-	(77,272)	(125,820)
Creditors falling due after one year	-	-	(49,889)	(49,889)
Defined benefit pension liability	-	(2,109,000)	-	(2,109,000)
Total net assets	165,688	(1,726,333)	4,685,395	3,124,750

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	4,787,715	4,787,715
Current assets	149,521	234,975	40,451	424,947
Creditors falling due within one year	(6,646)	(41,959)	(11,000)	(59,605)
Creditors falling due after one year	6,646	-	(74,181)	(67,535)
Defined benefit pension liability	-	(2,034,000)	-	(2,034,000)
Total net assets	149,521	(1,840,984)	4,742,985	3,051,522

19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Teachers' Pension Scheme

Introduction

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

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

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £414,278 (2020: £393,397)

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.9% for employers and 5.5 - 8.5% for employees.

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

Total contributions made	2021 £	2020 £
Employer's contributions	205,000	168,000
Employees' contributions	51,000	44,000
Total contributions	256,000	212,000

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.95	3.65
Rate of increase for pensions in payment/inflation	2.8	2.5
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.7	2.4

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

	2021 Years	2020 Years
Retiring today		
- Males	23	22.9
- Females	25.1	25
Retiring in 20 years		
- Males	24.3	24.2
- Females	26.7	26.6

	2021 £	2020 £
Discount rate + 0.1%	2033000	1,968,000
Mortality assumption + 1 year	2252000	2,148,000
CPI rate + 0.1%	2186000	2,101,000
Pay growth +0.1%	2117000	2,043,000

The academy trust's share of the assets in the scheme

	2021 Fair value £	2020 Fair value £
Equities	1,233,000	921,000
Other bonds	477,000	421,000
Cash	41,000	33,000
Property	85,000	80,000
Other assets	586,000	459,000
Total market value of assets	2,422,000	1,914,000

The actual return on scheme assets was £298,000 (2020: £294,000).

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2021 £	2020 £
Current service cost	350,000	297,000
Interest income	(29,000)	(23,000)
Interest cost	67,000	57,000
Total operating charge	<u>388,000</u>	<u>331,000</u>

Changes in the present value of defined benefit obligations

2021
£

At 1 September 2020	3,948,000
Current service cost	350,000
Interest cost	67,000
Employee contributions	51,000
Actuarial loss	161,000
Benefits paid	(46,000)
At 31 August 2021	<u>4,531,000</u>

Changes in the fair value of the academy trust's share of scheme assets

2021
£

At 1 September 2020	1,914,000
Interest income	29,000
Actuarial gain	269,000
Employer contributions	205,000
Employee contributions	51,000
Benefits paid	(46,000)
At 31 August 2021	<u>2,422,000</u>

THE CORBET SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

20 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the reporting period (as per the statement of financial activities)	(34,772)	(117,628)
Adjusted for:		
Capital grants from DfE and other capital income	(16,327)	(64,880)
Investment income receivable	(20)	(299)
Defined benefit pension costs less contributions payable	145,000	129,000
Defined benefit pension scheme finance cost	38,000	34,000
Depreciation of tangible fixed assets	179,482	179,137
Profit on disposal of fixed assets	(83,156)	-
(Increase) in debtors	(12,560)	(40,110)
Increase/(decrease) in creditors	66,215	(46,681)
Net cash provided by operating activities	281,862	72,539

21 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	337,510	208,401	545,911
Loans falling due within one year	(17,646)	-	(17,646)
Loans falling due after more than one year	(67,535)	17,646	(49,889)
	252,329	226,047	478,376

22 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

23 Members' liability

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