

CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3
Statement of Trustees' Responsibilities	27
Independent Auditors' Report on the Financial Statements	28 - 31
Independent Reporting Accountant's Report on Regularity	32 - 33
Statement of Financial Activities Incorporating Income and Expenditure Account	34
Balance Sheet	35
Statement of Cash Flows	36
Notes to the Financial Statements	37 - 69

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	S Chapman H Massey S Noakes A Hurren S Taylor (appointed 12 October 2022)
Trustees	J Bishop, CEO & Executive Headteacher ^{1,2,3,5,6} B Williams, Staff Trustee ^{2,5} R Billen ^{1,5,6,7,8} M Gordon ^{1,2,3,6} J Waddingham ^{1,2,4,5,7} S Chapman, Chair of Trustees ^{3,4,6,8} A Dyer, Vice Chair ^{3,4,7} K Dyson ^{1,2,4,6,8} H McBain (resigned 15 September 2022) S Taylor (resigned 15 September 2022)
	1 Personnel Committee 2 Admissions Committee 3 Finance and Premises Committee 4 Standards Committee 5 Facilities Committee 6 Pay & Performance Committee 7 Executive Pay & Performance Committee 8 Hubs Governance Committee
Company registered number	07339625
Company name	Cornerstone Academy Trust
Principal and Registered office	Broadclyst Community Primary School School Lane Exeter Devon EX5 3JG
Company secretary	A Partridge (resigned 30 June 2023) M Bailey (appointed 1 July 2023)
Accounting Officer	J Bishop
Senior management team	J Bishop, CEO & Executive Headteacher D James, Deputy CEO & Head of Education N Rothery, Head of Schools C Hall, Head of Schools G Newbery, Trust Business Manager A Pulfer, Head of Curriculum T Cavallo, Head of Strategy & Children's Extended Services

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Bankers Lloyds Bank
234 High Street
Exeter
Devon
EX4 3NL

Solicitors Browne Jacobson
1 Manor Court
Dix's Field
Exeter
Devon
EX1 1UP

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

TRUSTEES' REPORT

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

The Trust operates four primary academies in Devon. Its academies had a combined pupil roll of 1,283 in the school census of October 2022. Note that as growing free school Monkerton Primary School had Years 2, 1 and Reception only. Nursery pupils are not included in the above numbers, but all schools provide nursery provision for 2, 3 and 4 year olds.

We offer 180 Nursery places across the four schools, and these are taken up by nearly 300 families on a part or full time basis. We also offer a 60 place holiday club for Nursery children which is full.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Cornerstone Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as The Cornerstone Academy Trust which operates Broadclyst Community Primary School, Monkerton Community Primary School, Westclyst Community Primary School, and Yeo Valley Primary School.

Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administration Details.

Members' and Trustees' Liability

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

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

The Trustees are Directors of the charitable company for the purposes of the Companies Act 2006 and Trustees for the purposes of charity legislation.

Trustees are appointed for a four-year period, except that this time limit does not apply to the CEO/Executive Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be reappointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

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

Policies and Procedures adopted for the Induction and Training of Trustees

During the financial year under review the Trustees held ten full Trustees' meetings and over twenty Trustees' committee meetings. The training and induction provided for new Trustees will depend on their existing experience.

The Trust buys the services of Browne Jacobson Solicitors who provide regular training events and also will provide bespoke training for Trustees on request. Other training is provided as required through appropriate providers. Trustees are given access to an online resource where they can obtain copies of policies, improvement plans, minutes, and other documents that they will need to undertake their role as Trustees. All Trustees also have access to an online specialist information depository aimed solely at school Trustees.

There is at least one Trustees' away day organised each year which includes training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities.

Organisational Structure

The Board of Trustees meets once each month. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and reports from the Chair of each committee. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

During the year there were nine committees as follows:

- Finance Committee - this normally meets ten times a year and is responsible for monitoring, evaluating, and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee. During the year, the premises responsibilities of this committee were transferred to a brand new Facilities Committee.
- Facilities Committee
- Admissions Committee
- Personnel Committee
- Pay and Performance Management Committee
- Executive Pay and Performance Committee
- Standards Committee
- Hub Governance Committee
- Combined Local Advisory Boards for Broadclyst, Monkerton, Westclyst and Yeo Valley

The following decisions are reserved to the Board of Trustees:

- To consider any proposals for changes to the status or constitution of the Trust and its committee structure.
- To appoint or remove the Chair and/or Vice Chair.
- To appoint the Executive Headteacher and Clerk to the Trustees.
- To approve the Trust Development Plan and budget.

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

The Trustees and Board of Trustees have devolved responsibility for day-to-day management of the Trust to the Executive Headteacher and Leadership Team. The core Leadership Team comprises the Executive Headteacher/CEO, Deputy CEO//Head of Education, two Heads of Schools, Head of Curriculum, Head of

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Children's Services, and the Trust Business Manager. The leadership team implement the policies laid down by the Trustees and report back to them on performance.

The Executive Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Trust in charge of directing and controlling, running, and operating the Trust on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of any Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually. The CEO/Executive Headteacher is reviewed by a subgroup of Trustees with delegated powers to make decisions in relation to the Executive Headteacher/CEO's and the Deputy CEO's pay. The pay for other members of key management is reviewed by the CEO/Executive Headteacher. Reviews take into account performance and sector rates.

This year the revised pay structure put in place in 2021/22 has been fully implemented and all leadership roles are now on the revised pay structure. The trust continues to pay within the median pay scales based on the benchmarking exercise undertaken during 2021/22 despite being considered a high performing trust. This is in line with our commitment and focus on ensuring all children have the best educational experiences possible whilst ensuring staff are paid reasonably and fairly for the roles they carry out.

Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information in Schedule 2 of the Regulations.

There were no relevant union officials for the year/period ended 31 August 2023.

Related Parties and other Connected Charities and Organisations

Heatree Activity Centre is a related party as Mr Bishop is also a Trustee of the Centre.

The transactions with Heatree Activity Centre are undertaken at arm's length and are disclosed in these financial statements.

Farms for City Children is a related party as Mr Bishop is also a Trustee of the charity.

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

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Trust's main object is specifically restricted to establishing, maintaining, carrying on, managing, and developing schools offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age.

Aims

At Cornerstone Academy Trust, we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative, and physical potential and to develop positive social and moral values. Our Academies are communities in which children, staff and parents are part of a happy and caring environment.

The Trust's mission is to:

"Create and promote a challenging learning environment that inspires children to achieve high standards and become lifelong independent learners. To set consistently high expectations, build children's confidence and ensure engagement for all. To develop creative thinkers, inquisitive questioners and avid problem solvers with flexible skills who are successful communicators. Enable all children to learn to collaborate effectively at all levels, including working with our international partners, and be equipped to adapt to the needs of a diverse and ever-changing society."

The main objectives of the Trust during the year ended 31st August 2023 are summarised below:

- Achieve position as a top performing Multi Academy Trust nationally
- Prepare for Ofsted inspections to support the validation of the high standards of education across the trust
- Continue to ensure Yeo Valley Primary School has equitable delivery through development of the core offer and buildings
- Develop the provision at Monkerton Primary School as it increases in size
- Continue to monitor the impact of COVID on children and families
- Monitor the ongoing impact of the current economic situation both in terms of families and the financial management of the trust
- Develop the Multi Academy Trust structures, services, and back-office functions to prepare for the growth of its schools and as new schools join the trust to bring about economies and efficiencies that will help maintain the current excellent offer of high quality education across the breadth of the curriculum in a cost-effective way
- Maintain a consistently high quality Trust wide approach to teaching and learning, by appropriate and timely investment in staff, resources and infrastructure including technology
- Continue to develop leadership structures, skills, and expertise to ensure there is the capacity to deliver the Trust priorities as the schools develop and new schools join the Trust
- Build the capacity of the leadership team to maintain the quality delivery of Curriculum Hubs offer and meet the KPI's required for the English, Science Learning Partnership, Computing and Behaviour Hub delivery
- Ensure readiness, sufficient expertise, and capacity to provide school to school support through partnership delivery with the Teaching School Hub (South West Institute for Teaching) including ECT and SSAT programmes.
- Maintain recognition as a UK/Global Leader in Digital Excellence in Schools
- Continue as a Microsoft partner and showcase MAT, promoting and disseminating best practice and remain an influential voice in innovative practice

Strategies and Activities

Key activities and targets were identified in the Development Plan and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding as well as the impact of the pandemic and economic turbulence. The key strategic areas are:

The Trust Board and executive team have worked towards the Trust’s priorities linked to

- the quality of education in all the Trust’s schools and how this is achieved
- the wider curriculum, wraparound care and the broader offer that supports the day-to-day education of children attending the Trust’s schools for example the dining service, libraries, bus service with a particular focus on the introduction of holiday clubs
- the development and value of the school-to-school Improvement delivery including curriculum hubs and EdTech approaches, how these support effective teaching in the Trust’s schools as well as the moral purpose of improving teaching in all schools
- The development of the Trust to enable more schools to join and benefit from the unique educational experience that is provided to children who attend a Cornerstone school.

Strategic Priority	Area of Focus	Activities
Maintaining the quality of education in all the Trust’s schools	Maintain a focus on the impact of COVID on children and families	<p>Monitor progress and achievement of all pupils across the academic year and in all year groups. Use the termly monitoring meetings to carefully review the educational and pastoral outcomes for all children and plan to address issues early.</p> <p>Support staff to have awareness of the national evidence in relation to the ongoing impact of COVID on children’s social skills and learning and development particularly for the youngest children.</p> <p>Continue to utilise the tutoring programme funding to target children in most need of support due to the impact of COVID.</p>
	Leadership	<p>Continue to develop capacity and clarity of roles and responsibilities of the senior leadership team,</p> <p>Coaching and mentoring support provided to all leadership team through external consultant.</p> <p>Leadership staff accessing NPQ qualifications to support development.</p> <p>Leadership roles aligned to growth strategy and clear structure in place to meet the needs of the Trust where new schools join and manage the challenges and implications to ensure the quality of the education offer is not diminished.</p>
	Pupil Outcomes	<p>Monitoring outcomes through internal assessments to ensure children’s levels of attainment are sustained National assessments completed and outcomes show that the blended learning approach has mitigated the impact of the pandemic. Although</p>

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

		there has been a small decline in some outcome data compared to 2019 this is less than the national decline. In some areas we have achieved higher outcomes than those achieved in 2019.
	Catch up Offer	Maintaining the use of 1:1 mentoring across all age groups to support catch up and keep up across all areas of the curriculum. The National Tutoring Programme has been delivered through mentoring and targeted group work in class.
	Curriculum	<p>Embedding the faculty structure and development of the subject offer across all areas.</p> <p>Review of the role of the Local Advisory Board. The trust has reviewed the approach to LAB's and trialled an approach where all schools come together to consider the offer and review the provision across all schools but the capacity of parents to engage in this approach has meant that a further refinement of our approach will be needed next year. There continues to be a strong focus of triangulating curriculum policy, classroom practice and evidence from school meetings.</p> <p>Classroom observations resumed and have supported the monitoring of effective teaching and learning in each school.</p> <p>Maths is an area of development, and a number of teachers are now engaged in the NCETM programmes.</p>
	Quality of Teaching	Provide ongoing support and development opportunities through weekly CPD. Teachers are supported through the Classroom Coaching programme. A member of the LT will work alongside teachers in a specific year group, on a 4 week cycle.
	SEND	<p>Develop the Children's Services Team to ensure a consistent approach to SEND support across all schools, delivered through SENDCOs, School Nurses, S&L therapists and cross-trust approaches with appropriately identified CPD and use of external professionals.</p> <p>Provide ongoing SEND support and inclusion for the continuing increase of a wide range of needs through the established Assess, Plan, Do, Review processes. Review funding and development of physical support needs in order to meet both educational and physical care and therapy needs.</p>
	Early Career Teachers	We have a high number of ECTs and the ECT programme is delivered internally in partnership with SWIFT and the Teach First provider. In addition

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

		to this ECT's have support from the wider leadership team, phase, and faculty leadership team.
The wider curriculum, wraparound care and the broader offer that supports the day-to-day education of children attending the Trust's schools for example the dining service, libraries, bus service, holiday clubs.	Focus on the development of the Core offer for all schools	<p>The family dining service continues to operate effectively across all four campuses. There are ongoing challenges relating to increasing food costs and recruitment of quality staff.</p> <p>50-week Nursery provision and wraparound offer for before and after schools is now embedded across 3 of the 4 schools where there is parental demand.</p> <p>Holiday provision offer developed and delivered. Review of staffing to ensure that leadership team are available 50 weeks of the year to provide oversight for the holiday provision and manage the requirements of the trust during school holiday periods.</p> <p>Introduction of the TV Studio at Westclyst.</p> <p>Forest school and development of outside provision at Westclyst.</p>
Support the development and harness the value of the school-to-school Improvement delivery including curriculum hubs and EdTech approaches and how these support effective teaching in the Trust's schools as well as the moral purpose of improving teaching in all schools	Leadership of Curriculum Hubs	<p>Clear structures are in place to enable the delivery of the curriculum hubs.</p> <p>Admin support has been developed to ensure that staff are enabled to provide delivery of the programmes.</p> <p>Teams have been developed and trained to enable the effective delivery of each hub offer.</p>
	English Hub	Supports schools to improve their approach to phonics teaching and how to teach children to read.
	Science Learning Partnership	<p>Supports schools to provide an engaging and inspiring science education for their students. Catering for teachers, leaders and support staff, the hub offers bespoke and regional training.</p> <p>This year there has been a further redesignation of areas and the localities the hub support has been changed again now including Somerset instead of Plymouth and Cornwall.</p>
	Computing Hub	A focal point for local computing training across Devon and East Dorset – providing high-quality support for the teaching of computing in primary schools.
	Schools Direct ITT	Cornerstone has played a key role in training teachers for many years and have worked closely with partner universities to combine the best of their expertise with our own unique contribution.
	Behaviour Hub	Successful bid to run a Behaviour Hub and work started in April 2022. This has led to work with a number of schools across the region to review

**CORNERSTONE ACADEMY TRUST
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

		behaviour policies, procedure, and approaches within the school in line with the expected hub delivery.
The development of the Trust to enable more schools to join and benefit from the unique educational experience that is provided to children who attend a Cornerstone school.	Leadership and operational structures and processes	<p>Review and re-structuring of roles and responsibilities of the senior leadership team including revised job descriptions and a robust benchmarking and pay review exercise.</p> <p>Implementation of a more structured approach to working across 50 weeks of the year to support the opening of the holiday provision and general oversight of the trust premises etc.</p> <p>Staffing structure is in place including: CEO/Executive Headteacher Deputy CEO/Head of Education, Head of Schools x 2 Trust Business Manager and Finance Manager Deputy Head of school x 4 Head of Curriculum Head of Children's Services Phase Leads across the Trust Faculty Leads across the Trust Teaching Lead supporting ITT and ECT programmes (Head of Curriculum).</p> <p>Trustees met with external advisor and have developed a clear model illustrating how the 'One School (currently) four campuses model can be scaled up and continue to deliver the quality of education in more schools. This has provided a clear structure for growth and the Trust is well placed to expand and take on new schools.</p>
Maintain and sustain compliance and operational system and process effectiveness	Policies and procedures	Cycle and process for review of all policies through the Trust Board has been revised.

Public Benefit

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

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Trust

During the year September 2022 to August 2023 the Trust has managed the ongoing impact of COVID effectively. Provision within all the schools has now moved back to the pre-pandemic offer both in the classroom and through the additional activities and opportunities delivered by the trust.

This year we have had an Ofsted inspection in three of the four schools. One in the Autumn term in Broadclyst where the outstanding judgement across the five areas was retained. Yeo Valley was inspected in May and received a good judgement overall with two areas of outstanding. This is an exceptional achievement based on the previous inspection outcomes and the impact of COVID on the progress towards outstanding education and children's outcomes. Monkerton was inspected a month later and received a good outcome overall with four out of the five areas being judged as outstanding. Westclyst has not been inspected and is judged outstanding. This means we continue to have sixteen out of twenty judgements as outstanding across all four schools.

The leadership team structure has embedded successfully, supporting, and delivering the high-quality education, wider offer, and curriculum hub services effectively. This has been enhanced with the appointment of the deputy head at Monkerton as the school increases in size and an Early Years Lead. This has been supported by the clarity in relation to roles and responsibilities across the trust within the leadership team and ongoing coaching support from an external advisor.

Our focus on supporting a digital offer that all children have access to their own device has been recognised by Microsoft and we continue to be designated as a Microsoft show case schools and also a system showcase as a Trust which is unique. The CEO and a team also spoke at BETT this year. Representatives from the Trust went to Buckingham Palace to receive an award from the Queen's Writing Competition for our children's writing.

The Trust has continued to develop the curriculum offer with the embedding of the faculty and phase leader structure, strong phase and subject leadership led by Deputy CEO and Head of Curriculum has enabled a clear triangulation of the quality of teaching and learning and outcomes for children. We have identified some areas for development through this approach and will be focussing on these through 2023 – 24 based on the school improvement planning process.

The wider offer provided to children has been a real success this year with 20 after school clubs, off site sporting activities, visits to historic venues, local environments such as Dartmoor and trips for all Yr 5's to London where they visit the Houses of Parliament, go to a show and ride on the London Eye. In addition, we provide a trip to the Netherlands in Year 6. Currently we are the only primary school that offers an international trip. In addition to this programme, we continue to look beyond our borders and have secured grants through the Turing Scheme to build international partnerships.

In terms of the hub offer this has continued to be successful and we secured an additional programme to deliver a reading project in West Somerset PIEA on the back of our successful English hub delivery.

As part of our focus on climate change, we have introduced bikeability and purchased some ebikes for staff to use when moving between sites. We have also introduced an electric car scheme as a staff benefit.

The role of the curriculum hubs has supported the ongoing development of the Trust expertise and cascades into support for our own staff. Our success in delivering the English Hub has led to an opportunity to delivery support within West Somerset to 17 schools which has provided additional revenue to the school and further development of relationships and learning across the region.

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

The Schools

Monkerton

Monkerton was inspected in June 2023 and received four outstanding judgements and an overall judgement of Good.

Staff and children have had the opportunity to build their school community this year following the initial challenges of operating out of Westclyst and then the subsequent impact of COVID lockdowns during the first year on the new site. Staff who had previously benefitted from the opportunities to engage with experienced staff whilst being based at Westclyst have now developed into a strong staff team and the appointment of the Deputy Head of School has supported the development of the quality of provision.

The Trust continues to focus on ensuring that the quality and consistency of experience for children at Monkerton reflects the school ethos and expectations.

This was clearly evident during the recent inspections where staff and leadership worked as a cohesive team to present the school and respond to the inspectors' challenges and deep dives.

Yeo Valley

Yeo Valley was inspected in May 2023 and has made significant progress since the Trust took on sponsorship with two outstanding grading for leadership and EYFS and an overall good for all other areas. Given the social demographics and starting points for many of these children we can really see the impact of the Cornerstone model and improvements in the environment, the quality of teaching and the wider offer to children and families.

This was clearly evident during the recent inspections where staff and leadership worked as a cohesive team to present the school and respond to the inspectors' challenges and deep dives.

There continues to be significant challenges in relation to the fabric of the building due to years of backdated maintenance needs, but the Trust has a clear improvement programme in place and continues to seek financial support to make the necessary improvements.

The applications for places in Reception for September 2023 have continued to be maintained, Reception and Yr 1 have now reached the expected PAN after years of low numbers which is a real endorsement that the community is starting to identify the school as a place where they want their children to attend.

Westclyst

The school now has a full complement of year groups and has continued to take in additional children in year groups up this point. The school is now at capacity and all year groups are full.

The final building issues have been followed up and progress towards a solution has been identified.

This year we have added a climbing wall to the school and have secured funding to build an additional space so that a school café can be opened to bring Westclyst in line with Broadclyst and Monkerton.

We have created a TV studio which replicates the offer currently at Broadclyst.

We have secured funding to build an additional classroom space so we can create a café to promote community partnerships within the local area as well as enable parents to spend more informal time in school and connect with school staff and other parents.

Broadclyst

The school has maintained its outstanding Ofsted judgment following a two day inspection in September 2022.

Results in all national assessments (EYFS Profile, Phonics Screener, KS1 & KS2 SATSs and the Y4 multiplication check) have all been above national average.

The Curriculum Hub and School to School Support Offer

The curriculum hubs have continued to run successfully. Hub leads have adapted and responded to the changing approaches and levels of demand for the support including moving to and from online delivery. KPIs were met and exceeded in some areas and offers beyond the expected were provided. For example, the English Hub hosted a National English Conference and secured Sir Michael Morpurgo as a guest speaker.

The EdTech demonstrator has provided significant support to over 400 schools across the country to develop their online learning approach which has enabled more children to access remote learning in an effective way. The programme came to an end in August '22, but the Trust will continue to offer the complete range of support through the Teaching School Hub, SWIFT.

The Trust have continued to partner with the local Teaching School Hub, SWIFT. The work of the curriculum hubs is promoted through wider channels, increasing interest and take up of courses and training. We have continued to offer the SSAT Accreditations – Lead Practitioner and Enhancing Teaching Programme (the only available offer in the South West). We have created a new, extended programme of support and training, offering a lot more compared to previous years. This involves a greater amount offered through the curriculum hubs, and also a new Edtech support programme, built upon the successes of the Demonstrator School.

KEY PERFORMANCE INDICATORS

Ofsted Inspections (see above):

Broadclyst – Inspected Sept 2022 retained outstanding.

Yeo Valley – Inspected May 2023 – Good with outstanding features..

Monkerton – Inspected June 2023 – Good with four outstanding judgements.

Westclyst – Continues to be outstanding under previous inspection.

Outcomes for Children

The Standards Committee met every half term, to monitor and review the quality of the education. We continued to use teacher assessment and internal testing to track and highlight areas of focus for Year Groups, including individual children, ensuring that a plan is in place for them to meet their potential.

The schools continue to perform well in statutory assessments, overcoming the affects of the pandemic and recruitment issues. Westclyst Primary has successfully navigated the growth to full capacity. The Year 6 class with exceptionally high inward mobility (over half the class joining in the last 4 years), and increased SEND levels (over 30% of the class) has been managed well, resulting in good results for that particular cohort. Children across the Trust are making excellent starts in Early Years, and Phonics outcomes have remained high, with staff benefiting from the in-house expertise of the English Hub. Yeo Valley has continued to make progress and is following a trajectory towards being more in line with the other Cornerstone schools, achieving the highest scores since joining the trust in 2018. Broadclyst has maintained excellent results and Monkerton continues to perform well, as the school expands into Key Stage 2.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

EYFS – % of children reaching Good Level of Development:

	2023	2022
<i>National</i>	67%	72%
BCPS	80%	82%
WCPS	80%	82%
YVPS	69%	64%
MCPS	83%	81%

Phonics - % of children meeting expected standard:

	2023	2022
<i>National</i>	79.5%	75%
BCPS	93%	93%
WCPS	88%	80%
YVPS	82%	61%
MCPS	93%	91%

KS1 SATS - % of children meeting expected standard:

2023	Reading	Writing	Maths		2022	Reading	Writing	Maths
<i>National</i>	68%	59%	70%		<i>National</i>	67%	58%	68%
BCPS	78%	38%	73%		BCPS	84%	81%	79%
WCPS	73%	73%	80%		WCPS	83%	82%	85%
YVPS	40%	41%	36%		YVPS	53%	47%	35%
MCPS	82%	68%	63%		-	-	-	-

Year 4 Multiplication Tables Check:

2023	20+	25/25	Mean Score		2022	20+	25/25	Mean Score
National	-	31%	20/25		National	-	30%	20/25
BCPS	71%	43%	21/25		BCPS	75%	38%	21/25
WCPS	81%	68%	23/25		WCPS	79%	42%	22/25
YVPS	40%	20%	18/25		YVPS	43%	21%	18/25

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

KS2 SATS - % of children meeting expected standard:

	2023					2022			
	Reading	Writing	Maths	Combined		Reading	Writing	Maths	Combined
National	73%	78%	79%	65%		74%	69%	71%	59%
BCPS	92%	91%	83%	79%		86%	83	89%	77%
YVPS	58%	58%	46%	36%		61%	68%	39%	32%
WCPS	69%	66%	49%	41%		-	-	-	-

Pupil Numbers

To attract 60 children at each of Broadclyst, Monkerton and Westclyst each new intake, and 30 at Yeo Valley:

We received 110 first choice preferences for 60 places at Monkerton, as well as over 80 first choice preferences for 60 places at Westclyst.

Broadclyst filled its 60 places. Yeo Valley started September with 29 reception places filled, a great improvement.

Attendance

Percentages per year and per campus (Whole Year)

	BCPS	WCPS	YVPS	MCPS
Nursery	93.4%	90.7%	90.1%	89.8%
Rec (Intake 22)	94.7%	94.6%	90.9%	94.5%
Y1 (Intake 21)	93.6%	97.1%	90.4%	95.3%
Y2 (Intake 20)	96.3%	96.3%	91.4%	96.5%
Y3 (Intake 19)	95.9%	96.5%	92.9%	
Y4 (Intake 18)	95.7%	94.4%	94.8%	
Y5 (Intake 17)	95.5%	96.6%	92%	
Y6 (Intake 16)	95.7%	95.2%	91.5%	
Whole school	95.1%	95.2%	91.6%	94.1%
Whole School (without EY)	95.5%	96.3%	92%	95.9%

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

Curriculum Hub KPIs:

English Hub

- Engaged approximately 115 schools with medium level support.
- Full quota of audits achieved. 71 delivered.
- Partner schools outperformed national PSC average.
- Recruited 15 additional new partner schools (41 current partner schools recruited).
- Passported £291,190.00 to schools with a robust audit and assessment of need.
- Provided 9 medium level support network meetings, reading for pleasure course and an early language programme (which we helped to develop).
- Deliver 134 days of literacy specialist support.
- Ran 2 showcase events.
- Ran a national conference meeting for the DfE online.
- Began to host the English hub national portal.

Computing Hub

In the 2022–23 academic year, because of the delay with STEM achieving the DfE contract, we operated under a temporary agreement with Exeter Maths School covering the autumn and spring term, and then in the summer term, a contract extension. Simplification of previous KPIs accordingly.

2022-23 Autumn – Spring KPIs	Target	Progress	Outcome
Priority primary schools engaged	4	4+	Met
Non-priority primary schools engaged	98	110	Exceeded
Delivery of Community Meetings	2 per term	6	Met
Courses	14 long 8 short	26	Exceeded
Reach and engagement events run	4 per term	12	Met

Science Learning Partnership

KPIs for contract ending 31/8/2023

Mar	Apr	May	Jun	Jul	Aug
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SLP Income	<i>Target</i>	£47.6K	£51.0K	£55.7K	£61.0L	£65.7K	£67.1K
	<i>Actual</i>	£37.8K	£37.8K	£37.9K	£42.0K	£42,3K	£42.3K
	<i>%</i>	79%	74%	68%	69%	64%	63%

CPD Days	<i>Target</i>	338	344	355	403	404	404
	<i>Actual</i>	679	727	793	870	937	956
	<i>%</i>	50%	47%	45%	46%	43%	42%

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

Behaviour Hub

Term	Summer 22	Autumn 22	Spring 23	Summer 23	Autumn 23
Hub Cohort	Cohort 4	Cohort 5	Cohort 6	Cohort 7	Cohort 8
Extended School	St Andrews Church of England Primary School. Weymouth. DSAT – Diocese of Salisbury Academy Trust Graduated	Our Lady of the Angels Catholic Primary School. Torquay. Plymouth CAST Graduated	No school allocated	No school allocated	All Saints Babbacombe CofE Primary School Torquay Graduate July 24 Westrop Primary and Nursery School Swindon Graduate July 24
Core School	Beachcroft St Pauls Church of England Primary School. Weymouth. DSAT Graduated	Portishead Primary School. Bristol. Lighthouse Schools Partnership Graduated	Christ Church, Church of England Junior School, Downend. Bristol. LA Maintained Graduate Dec 23	St Budeaux Foundation CofE (Aided) Junior School First Federation Graduate March 24	Longfleet Church of England Primary School Poole Graduate July 24

- Delivered:
 - 5 open days
 - 3 Regional Network meetings and attended 3
- Co-delivered 2 launch events with extended schools.
- 4 schools successfully graduated, 5 on track.
- One more Core school will be allocated in Jan 24 which will graduate in Dec 24.
- This will be the end of the current funding cycle for the Hub.
- DfE are hopeful for a Behaviour Hub V2.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e., whether there are any material uncertainties related to events of conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern.

Consideration has been made to the current economic climate. The Academy Trust is in the fortunate position of being locked into a longer-term energy deal that continues until August 2024. This offers some initial protection against the market forces surrounding the energy sector. The Trust made a decision early on in the budget setting process to cost teacher salary increases at a high level, meaning the agreed settlement has not come as a shock to the budget. As a result, the Directors were able to agree a three-year balanced budget that did not draw on reserve balances at all.

The Trustees make this statement in respect of a period of at least one year from the date of the authorisation for issue of the financial statements 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 financial statements.

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

FINANCIAL REVIEW

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

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

During the year ended 31 August 2023, the Academy received total income (excluding fixed asset funding) of £9,702,893 and incurred total expenditure (excluding fixed asset funds and the pension fund) of £9,502,181. The excess of income over expenditure for the year was £200,712.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams; the need to match income with commitments; and the nature of the reserves. The Trustees policy within 2022/23 was to aim to set aside reserves of at least £100,000 to cover unexpected costs with possibly higher carry forward reserves for specific capital projects.

The free reserves at the period end that are monitored against the policy were £115,850. These are included in unrestricted free reserves. The Trustees have allocated £184,395 to a designated fund for capital expenditure that will take place post year end. Additionally, there were £77,638 reserves carried forward included in funds restricted for specific purposes.

The Trustees have reviewed the future plans of the Academy and have agreed that there is no need to increase the level of reserves.

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

Investment Policy

As the Trust grows, it will be further discussing with the Academy Bank Manager cash flow and investment opportunities and will make recommendations to Trustees on investment proposals.

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year over 80% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management the risk in this area arises from potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory

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

returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational the continuing success of the Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that pupil success and achievement are closely monitored and reviewed. This is increasingly important at a time of expansion in a close geographical area.

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

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

Fraud and mismanagement of funds, the Academy Trust has an appointed internal auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis. All committees monitor and manage the risks associated with the particular committee and report to the trust board where these risks need to be identified on the full trust risk register.

The Trustees examine the financial health formally every half term, reviewing performance against budgets and overall expenditure. Regular update reports are also given at all Full Trustees' meeting and Finance & Premises Committee Meetings.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 22 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

The Trust's fundraising activities are based around traditional school occasions such as fetes and fayres. We do not work with professional fundraisers. There is occasional fundraising by parents.

PLANS FOR FUTURE PERIODS

The Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy Trust will continue to aim to attract and retain high quality teachers and support staff in order to deliver its objectives.

The Trust is actively exploring the early years extended entitlements offer to ensure that we can provide a wide offer to working parents including wraparound and holiday provision in line with the Government agenda.

Supporting the growth of Monkerton Community Primary School in the 2023/24 academic year and beyond and developing the new school building and the educational provision.

Review the provision at Westclyst in light of the second full offer for all age ranges and the fact that this is the only school which has not been inspected under the current framework and ensuring that teaching and learning is supported effectively.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Continue supporting Yeo Valley Primary School in Barnstaple as it moves forwards as an integral part of the Trust. Improvement projects will continue to be implemented. A sustained focus on the improvement in children's outcomes will be a priority for this year as we monitor the ongoing impact of COVID on children's outcomes.

Build on the good practice identified at Broadclyst and ensure this continues to be shared across the whole trust.

The Trust aims to augment its links with other schools locally and nationally in order to continue to improve. We will continue to foster our partnerships with universities, including Exeter and Plymouth and also with commercial companies including Microsoft.

We will continue to use our status as a Microsoft Showcase School to further enrich our provision, but equally as important to help develop the ICT provision in other like-minded schools. We will continue to promote the benefits of the Global Enterprise Challenge around the world.

The Trust will continue to build on its successful delivery of the curriculum hubs looking to take on any further opportunities to engage in the hub delivery model linked to the government and regional opportunities for example the West Somerset offer.

The Trust will engage with the RSC and Local authority to continue to explore opportunities for growth in relation to other schools joining the Trust.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITOR

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 6th December 2023 and signed on the board's behalf by:



**Samantha Champman
Chair of Trustees**

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 11 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Chapman	10	10
A Dyer	9	10
J Bishop	10	10
R Billen	8	10
K Dyson	9	10
M Gordon	9	10
J Waddingham	9	10
B Williams	4	10

Key Changes

Two trustees resigned from the Board in September. One went on to become a Member.

Trustees continue to contribute to the range of committees and working groups that address current issues for example work around developing our growth strategy.

In addition to the Trust Board attendance the Trustees have ensured that they have continued to play an active role in monitoring the day-to-day provision in all the schools.

The Trust has developed its approach to the Local Advisory Boards ensuring parents can contribute to the governance and oversight of the trust. The revised approach to a whole Trust input on a particular curriculum area and then individual school meetings has been successful and has also provided a strong understanding of the curriculum intent, implementation, and impact across the trust and in each school.

The board has been satisfied with the data that has been shared in relation to safeguarding and attendance which continues to have a high priority post COVID. The senior leadership team have also provided information and, where available, data in relation to children's outcomes including monitoring early reading, GL assessments and No More Marking assessments. This has subsequently been reviewed against the national assessment data for 2022 and the Trust board is confident that children are making good progress and gaps are being addressed swiftly.

The Trust is confident that the children are kept safe and there is a robust monitoring in relation to online safety and the board is updated regularly on this.

The past year has seen ongoing challenges despite the end of COVID restrictions the autumn term continued to see high levels of illness and absence from school both from children and Staff. The CEO expressed that he felt that the Autumn term was the hardest he had experienced. In addition to this staff recruitment has been particularly challenging with maintaining salaries that are competitive and meeting the rising prices of the day

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

to day running of the school. The board are impressed by and confident in the way the school leadership have risen to challenges, maintained safety and supported the delivery of a broad and balanced curriculum for all children across the Trust.

There is strong financial management and despite economic pressures the Trust is managing these well.

Governance Review

All Trustees completed the skills audit, completed safeguarding and GDPR training. We have welcomed external scrutiny and support from two consultants, one to review the roles and responsibilities of the leadership team and support the pay review exercise and one to support the Trust board with developing the growth strategy. Both these areas have been complimentary, and the Trust board has a clear approach and structure to move forward with as new schools join the Trust.

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. It also acts as the Audit Committee. Its purpose is:

- To assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the Trust's finances and resources, including proper planning, monitoring, and probity.
- To make appropriate comments and recommendations on such matters to the governing body on a regular basis.

Major issues will be referred to the full governing body for ratification.

The committee is authorised:

- To consider the Trust's indicative funding, notified annually by the EFA, and to assess its implications for the Academy Trust, in consultation with the executive headteacher, in advance of the financial year, drawing any matters of significance or concern to the attention of the governing body.
- To consider and recommend acceptance/nonacceptance of the Trust's budget, at the start of each financial year.
- To contribute to the formulation of the Trust's development plan, through the consideration of financial priorities and proposals, in consultation with the executive headteacher, with the stated and agreed aims and objectives of the Academy Trust.
- To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
- To liaise with and receive reports from the staffing/remuneration and curriculum committees, as appropriate, and to make recommendations to those committees about the financial aspects of matters being considered by them.
- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the Trust, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Board of Trustees.
- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

- To prepare the financial statement to form part of the annual report of the Board of Trustees to parents and for filing in accordance with Companies Act and Charity Commission requirements.
- To receive auditors' reports and to recommend to the full governing body action as appropriate in response to audit findings.
- To recommend to the full governing body the appointment or reappointment of the auditors of the Trust.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
A Dyer	9	9
J Bishop	9	9
M Gordon	9	9
B Williams	3	9
S Chapman	8	9

REVIEW OF VALUE FOR MONEY

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

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

- Value for money purchasing. There is a continuing emphasis placed upon obtaining an optimum mix of economy, efficiency, and effectiveness to ensure that the goods and services purchased deliver the best possible educational outcomes for the resources invested.
- Our financial procedures require purchases to be considered in the light of best value. Wherever possible, and certainly above threshold limits, competitive quotations are sought to check what the market can offer. Purchases with an aggregate value of £50,000 or more, although few, are subject to a strict tender regime. Recent examples include the procurement of IT equipment.
- We have a system of regular risk review for each governor subcommittee. This process has enabled governors to assess any risks present within decisions made or about to be made, meaning that decisions are more informed and less likely to need revisiting.
- Decisions around staffing levels are made against the backdrop of a rolling financial plan which clearly demonstrates the impact of any proposed change. Although things can change significantly in a short timescale, having a snapshot picture at the time of an important decision gives Trustees and the leadership team more confidence whether the change can be sustained (or not) and that it will not adversely impact other areas of school business.

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

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks 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 at The Cornerstone Academy Trust for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

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 Trustees.
- regular reviews of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- setting targets to measure financial and other performance.
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties.
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Devon Audit Partnership as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems, salary, wages, and expenses
- Testing of purchasing and payment systems
- Testing of control of assets
- Testing of governance arrangements

On a semi-annual basis the auditor reports to the Board of Trustees, through the Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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

REVIEW OF EFFECTIVENESS

As Accounting Officer, the CEO/Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework
- the work of the external auditor
- correspondence from ESFA e.g. financial notice to improve/notice to improve (FNtl/Ntl) and 'minded to' letters.

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 and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 6th December 2023 and signed on their behalf, by:



**S Chapman
Trustee**



**J Bishop
Accounting Officer**

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Cornerstone Academy Trust I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & 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 2023.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all 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 2023.

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



J Bishop
Accounting Officer

Date: 06/12/2023

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

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

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

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

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

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



S Chapman
Chair of Trustees

Date: 06/12/2023

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CORNERSTONE ACADEMY TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy 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 Trustees with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CORNERSTONE ACADEMY TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy 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 Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CORNERSTONE ACADEMY TRUST (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CORNERSTONE ACADEMY TRUST (CONTINUED)**

Our procedures to respond to risks identified included the following:

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

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

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

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

Use of our report

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

Bishop Fleming LLP

Tim Borton FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date: 19/12/2023

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
CORNERSTONE ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 25 May 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cornerstone Academy Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Cornerstone Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Cornerstone Academy Trust's funding agreement with the Secretary of State for Education dated 26 August 2010 and the Academy Trust Handbook, extant from 1 September 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

Tim Borton FCA DChA (Reporting Accountant)

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date: 19/12/2023

CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants:	3					
Other donations and capital grants		15,316	-	516,140	531,456	6,655,022
Other trading activities	5	465,389	-	-	465,389	276,319
Investments	6	129	-	-	129	110
Charitable activities	4	746,205	8,475,854	-	9,222,059	7,841,793
Total income		1,227,039	8,475,854	516,140	10,219,033	14,773,244
Expenditure on:						
Charitable activities	7,8	1,277,868	8,368,313	850,876	10,497,057	9,414,004
Total expenditure		1,277,868	8,368,313	850,876	10,497,057	9,414,004
Net income/ (expenditure)		(50,829)	107,541	(334,736)	(278,024)	5,359,240
Transfers between funds	17	-	(286,461)	286,461	-	-
Net movement in funds before other recognised gains		(50,829)	(178,920)	(48,275)	(278,024)	5,359,240
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	23	-	842,000	-	842,000	4,292,000
Net movement in funds		(50,829)	663,080	(48,275)	563,976	9,651,240
Reconciliation of funds:						
Total funds brought forward		472,865	(776,442)	21,516,826	21,213,249	11,562,009
Net movement in funds		(50,829)	663,080	(48,275)	563,976	9,651,240
Total funds carried forward		422,036	(113,362)	21,468,551	21,777,225	21,213,249

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

The notes on pages 37 to 69 form part of these financial statements.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07339625**

**BALANCE SHEET
AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	21,209,693	21,597,588
		21,209,693	21,597,588
Current assets			
Debtors	15	906,643	441,677
Cash at bank and in hand		1,249,253	991,717
		2,155,896	1,433,394
Creditors: amounts falling due within one year	16	(1,397,364)	(928,733)
Net current assets		758,532	504,661
Net assets excluding pension liability		21,968,225	22,102,249
Defined benefit pension scheme liability	23	(191,000)	(889,000)
Total net assets		21,777,225	21,213,249
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	21,468,551	21,516,826
Restricted income funds	17	77,638	112,558
Restricted funds excluding pension asset	17	21,546,189	21,629,384
Pension reserve	17	(191,000)	(889,000)
Total restricted funds	17	21,355,189	20,740,384
Unrestricted income funds	17	422,036	472,865
Total funds		21,777,225	21,213,249

The financial statements on pages 34 to 69 were approved by the Trustees, and authorised for issue on 6 December 2023 and are signed on their behalf, by:



S Chapman
Chair of Trustees

The notes on pages 37 to 69 form part of these financial statements.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	19	342,205	463,089
Cash flows from investing activities	20	(84,669)	(328,570)
Change in cash and cash equivalents in the year		257,536	134,519
Cash and cash equivalents at the beginning of the year		991,717	857,198
Cash and cash equivalents at the end of the year	21, 22	<u>1,249,253</u>	<u>991,717</u>

The notes on pages 37 to 69 form part of these financial statements

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events of conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern.

Consideration has been made to the current economic climate. The Academy Trust is in the fortunate position of being locked in to a longer term energy deal that continues until August 2024. This offers some initial protection against the market forces surrounding the energy sector. The Trust made a decision early on the in budget setting process to cost teacher salary increases at a high level, meaning the agreed settlement has not come as a shock to the budget. As a result the Directors were able to agree a three year balanced budget that did not draw on reserve balances at all.

The Trustees make this statement in respect of a period of at least one year from the date of the authorisation for issue of the financial statements 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 financial statements.

1. ACCOUNTING POLICIES (continued)

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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 grant are reflected in the Balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

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

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

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 and services.

• **Grants**

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

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

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

1.4 INTEREST RECEIVABLE

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

1. ACCOUNTING POLICIES (continued)

1.5 EXPENDITURE

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

Expenditure on charitable activities 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.

- **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.

All resources expended are inclusive of irrecoverable VAT.

1.6 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.7 TANGIBLE FIXED ASSETS

Assets costing £2,500 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 requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the Local Authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

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

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- 2% straight line/term of the lease
Furniture and fittings	- 20% straight line
Computer equipment	- 33% straight line
Motor vehicles	- 25% reducing balance

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

1.8 DEBTORS

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

1.9 CASH AT BANK AND IN HAND

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

1.10 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.

1.11 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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. ACCOUNTING POLICIES (continued)

1.12 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 Part 11, chapter 3 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.

1.13 PENSIONS

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.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1. ACCOUNTING POLICIES (continued)

1.14 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 Trustees.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

1.15 OPERATING LEASES

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

The Academy 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 23, 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 2023 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	15,316	-	15,316	6,627,105
Capital Grants	-	91,140	91,140	27,917
Local Authority Capital Grants	-	425,000	425,000	-
TOTAL 2023	<u>15,316</u>	<u>516,140</u>	<u>531,456</u>	<u>6,655,022</u>
TOTAL 2022	<u>12,105</u>	<u>6,642,917</u>	<u>6,655,022</u>	

In 2022, there was a £6,615,000 donation of restricted fixed assets which relates to a donation of Monkerton Primary School by the Department of Education.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
EDUCATION				
DFE/ESFA GRANTS				
General Annual Grant	-	5,357,570	5,357,570	4,643,104
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	333,819	333,819	260,719
Start Up Grant	-	89,000	89,000	110,000
Universal Infant Free School Meals	-	209,384	209,384	190,952
Mainstream Schools Additional Grant	-	79,012	79,012	-
Schools Supplementary Grant	-	156,813	156,813	-
Teachers Pay and Pension Award	-	29,501	29,501	33,743
West Somerset Reading Project	-	67,933	67,933	-
PE Grant	-	72,660	72,660	71,800
Rates Relief	-	41,600	41,600	35,488
Grant income	-	11,600	11,600	-
English Hub Grant	-	436,000	436,000	406,008
Science Learning Partnership	-	47,813	47,813	133,271
Technology Hub Grant	-	28,593	28,593	186,846
English Accelerator Fund	-	218,706	218,706	37,897
Other DFE/ESFA Grants	-	176,928	176,928	74,446
	-	7,356,932	7,356,932	6,184,274
OTHER GOVERNMENT GRANTS				
SEN income	-	108,429	108,429	117,983
Nursery Income	-	952,133	952,133	799,460
	-	1,060,562	1,060,562	917,443
Other income from the Academy Trust's educational operations	746,205	-	746,205	664,816
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Recovery Premium	-	29,848	29,848	47,635
National Tutoring Programme	-	28,512	28,512	-
Other Local Authority Grants	-	-	-	27,625
	-	58,360	58,360	75,260
TOTAL EDUCATION	746,205	8,475,854	9,222,059	7,841,793

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS (CONTINUED)

	746,205	8,475,854	9,222,059	7,841,793
	<u>664,816</u>	<u>7,176,977</u>	<u>7,841,793</u>	
TOTAL 2022				

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak.

The academy received £NIL (2022: £48,000) of funding for catch-up premium and costs incurred in respect of this funding totalled £NIL (2022: £48,000).

The academy received other local authority grants which were provided to support schools following the covid pandemic. The funding received of £NIL (2022: £28,000) relates to staff costs included within note 8 below as appropriate.

The funding received for recovery premium covers £29,848 (2022: NIL) of costs. These costs are included in notes 7 and 8 below as appropriate.

The funding received for the National Tutoring Programme covers £28,512 (2022: NIL) of tutoring costs. These costs are included in notes 7 and 8 below as appropriate.

5. INCOME FROM OTHER TRADING

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings	19,851	19,851	13,473
Fees received	286,341	286,341	207,830
Other	159,197	159,197	55,016
TOTAL 2023	<u>465,389</u>	<u>465,389</u>	<u>276,319</u>

All 2022 amounts relate to unrestricted funds.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

6. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	129	129	110

All 2022 amounts relate to unrestricted funds.

7. EXPENDITURE

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
EDUCATION:					
Direct costs	5,030,463	1,032,901	1,030,574	7,093,938	6,602,533
Allocated support costs	1,505,256	1,038,918	858,945	3,403,119	2,811,471
TOTAL 2023	6,535,719	2,071,819	1,889,519	10,497,057	9,414,004
TOTAL 2022	6,253,975	1,521,865	1,638,164	9,414,004	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Education	7,093,938	3,403,119	10,497,057	9,414,004
TOTAL 2022	6,602,533	2,811,471	9,414,004	

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Education 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	1,419,256	1,419,256	1,317,425
Depreciation	286,006	286,006	234,926
Recruitment and support	50,338	50,338	49,853
Maintenance of premises and equipment	216,054	216,054	134,687
Cleaning	250,653	250,653	228,927
Rent and rates	102,731	102,731	92,376
Energy costs	147,985	147,985	130,220
Insurance	35,927	35,927	30,210
Security and transport	130,499	130,499	105,516
Catering	479,721	479,721	309,951
Technology costs	6,987	6,987	2,200
Office overheads	56,222	56,222	39,499
Legal and professional	193,849	193,849	114,411
Bank interest and charges	12,584	12,584	10,765
Governance costs	14,307	14,307	10,505
TOTAL 2023	3,403,119	3,403,119	2,811,471

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

9. NET (EXPENDITURE)/INCOME

Net (expenditure)/income for the year includes:

	2023	2022
	£	£
Operating lease rentals	240,658	251,427
Auditors' remuneration - audit	13,250	10,000
Auditors' remuneration - other audit services	3,745	4,960
Auditors' remuneration - other services	3,395	13,987
Depreciation of tangible fixed assets	852,373	876,073

10. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	4,978,364	4,251,661
Social security costs	411,949	355,301
Pension costs	1,145,406	1,647,013
	6,535,719	6,253,975

The pension costs above include a non-cash charge of £144,000 for the year ended 31 August 2023, based on the year end actuarial valuation report. In the year to 31 August 2022, the equivalent amount was £864,000. Without these amounts, the underlying pension costs that represent the cash cost of employer pension contributions during the year was £1,001,406 (2022 £783,013). Excluding these amounts, underlying total staff costs have increased from £5,389,975 to £6,391,719.

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

10. STAFF (CONTINUED)

b. STAFF NUMBERS

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

	2023 No.	2022 No.
Teachers	74	60
Administration and support	148	139
Management	10	11
	<u>232</u>	<u>210</u>

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
Teachers	66	56
Administration and Support	106	95
Management	9	10
	<u>181</u>	<u>161</u>

c. HIGHER PAID STAFF

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	2	3
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-
	<u>1</u>	<u>-</u>

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £609,585 (2022: £567,073).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than their role as trustee, their remuneration as set out in note 12, has not been included in the total benefits received by key management personnel above.

11. CENTRAL SERVICES

The Academy Trust makes use of GAG pooling arrangements as set out in the Academies Financial Handbook. Under this arrangement, all income received by the academies within the Academy Trust is centrally pooled. As such, there are no central service contributions.

12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of service they provide understaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their service as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of trustees' remuneration and other benefits was as follows: J Bishop: Remuneration £105,000 - £110,000 (2022: £95,000 - £100,000), Employer pension contributions £25,000 - £30,000 (2022: £20,000 - £25,000), M Pitts: Remuneration £NIL (2022: £40,000 - £45,000), Employer pension contributions £NIL (2022: £10,000 - £15,000), B Williams: Remuneration £10,000 - £15,000 (2022: £20,000 - £25,000), Employer pension contributions £0 - £5,000 (2022: £5,000 - £10,000).

Other related party transactions involving the trustees are set out in the Related party transactions note.

During the year ended 31 August 2023, expenses totalling £613 were reimbursed or paid directly to 1 Trustee (2022 - £638, 1 Trustee).

Other related party transactions involving the trustees are set out in the Related party transactions note.

13. TRUSTEES' AND OFFICERS' INSURANCE

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

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Furniture and fittings £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2022	22,725,589	918,385	1,668,870	26,155	25,338,999
Additions	116,764	239,437	94,026	14,250	464,477
At 31 August 2023	<u>22,842,353</u>	<u>1,157,822</u>	<u>1,762,896</u>	<u>40,405</u>	<u>25,803,476</u>
DEPRECIATION					
At 1 September 2022	1,729,488	565,491	1,424,121	22,311	3,741,411
Charge for the year	447,642	165,528	234,679	4,523	852,372
At 31 August 2023	<u>2,177,130</u>	<u>731,019</u>	<u>1,658,800</u>	<u>26,834</u>	<u>4,593,783</u>
NET BOOK VALUE					
At 31 August 2023	<u><u>20,665,223</u></u>	<u><u>426,803</u></u>	<u><u>104,096</u></u>	<u><u>13,571</u></u>	<u><u>21,209,693</u></u>
At 31 August 2022	<u><u>20,996,101</u></u>	<u><u>352,894</u></u>	<u><u>244,749</u></u>	<u><u>3,844</u></u>	<u><u>21,597,588</u></u>

Included in the net book value of property displayed above are the following amounts ascribable to land:

	2023 £	2022 £
Long-term leasehold land	<u><u>1,761,399</u></u>	<u><u>1,791,266</u></u>

15. DEBTORS

	2023 £	2022 £
DUE WITHIN ONE YEAR		
Trade debtors	64,906	19,402
Other debtors	5,086	1,176
Prepayments and accrued income	735,605	337,978
VAT recoverable	101,046	83,121
	<u><u>906,643</u></u>	<u><u>441,677</u></u>

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	530,645	308,651
Other taxation and social security	92,402	80,740
Other creditors	114,297	103,526
Accruals and deferred income	660,020	435,816
	<u>1,397,364</u>	<u>928,733</u>
	2023 £	2022 £
DEFERRED INCOME		
Deferred income at 1 September 2022	245,154	152,498
Resources deferred during the year	319,599	245,126
Amounts released from previous periods	(245,154)	(152,470)
	<u>319,599</u>	<u>245,154</u>

At the balance sheet date the Academy Trust was holding funds received in advance for lettings booked for the autumn term 2023.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

17. STATEMENT OF FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital Projects	227,000	-	-	(42,605)	-	184,395
GENERAL FUNDS						
General funds	165,182	1,227,039	(1,276,371)	-	-	115,850
Unrestricted fixed asset fund	80,683	-	(1,497)	42,605	-	121,791
	245,865	1,227,039	(1,277,868)	42,605	-	237,641
TOTAL UNRESTRICTED FUNDS	472,865	1,227,039	(1,277,868)	-	-	422,036
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	5,357,570	(5,071,109)	(286,461)	-	-
Free school start up grant	-	89,000	(89,000)	-	-	-
Pupil Premium	-	333,819	(333,819)	-	-	-
Rates Income	-	41,600	(41,600)	-	-	-
Universal Infant Free School Meals	-	209,384	(209,384)	-	-	-
Teachers' Pay and Pension	-	29,501	(29,501)	-	-	-
English Hub Grant	-	436,000	(436,000)	-	-	-
PE Grants	-	72,660	(72,660)	-	-	-
High Needs	-	108,429	(108,429)	-	-	-
Nursery funding	-	952,133	(952,133)	-	-	-
Covid-19 Additional Funding	-	58,360	(58,360)	-	-	-
Mainstream Schools Additional Grant	-	79,012	(79,012)	-	-	-

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

17. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Schools						
Supplementary Grant	-	156,813	(156,813)	-	-	-
Ed Tech Grant	-	28,593	(28,593)	-	-	-
Accelerator Fund for English	-	218,706	(218,706)	-	-	-
West Somerset Reading Project	-	67,933	(65,363)	-	-	2,570
Science Learning Partnership	79,318	47,813	(67,063)	-	-	60,068
Global Enterprise Challenge	15,000	-	-	-	-	15,000
Connecting Classrooms	18,240	-	(18,240)	-	-	-
Other DfE	-	188,528	(188,528)	-	-	-
Pension reserve	(889,000)	-	(144,000)	-	842,000	(191,000)
	(776,442)	8,475,854	(8,368,313)	(286,461)	842,000	(113,362)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	12,192,509	-	(392,504)	-	-	11,800,005
Fixed assets purchased from GAG and other restricted funds	372,322	-	(215,070)	324,846	-	482,098
Devolved Formula Capital grants	115,555	29,892	(1,888)	(29,892)	-	113,667
Academies Capital Maintenance Fund grants	1,577,870	-	(37,176)	-	-	1,540,694
Free school procurement grant	805,470	-	(67,365)	-	-	738,105
Donated property	6,453,100	-	(135,780)	-	-	6,317,320
Fixed assets purchased from local authority grants	-	175,000	(1,093)	-	-	173,907

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

17. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Local authority grant for community classroom	-	250,000	-	-	-	250,000
DFC Energy Grant	-	61,248	-	(8,493)	-	52,755
	<u>21,516,826</u>	<u>516,140</u>	<u>(850,876)</u>	<u>286,461</u>	<u>-</u>	<u>21,468,551</u>
TOTAL RESTRICTED FUNDS	<u>20,740,384</u>	<u>8,991,994</u>	<u>(9,219,189)</u>	<u>-</u>	<u>842,000</u>	<u>21,355,189</u>
TOTAL FUNDS	<u><u>21,213,249</u></u>	<u><u>10,219,033</u></u>	<u><u>(10,497,057)</u></u>	<u><u>-</u></u>	<u><u>842,000</u></u>	<u><u>21,777,225</u></u>

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

Designated Fund

The trust have allocated £184,395 for capital expenditure to be spent post year end.

Restricted Funds

General Annual Grant (GAG)

This fund includes income from the ESFA which is to be used for the running costs of the Academy, including education and support costs.

Pupil premium

This funding is for additional support for those pupils who qualify for free school meals, have been or are looked after children, or children from service families.

High Needs funding

This is a grant received from the local authority towards the costs of providing teaching for pupils with special educational needs.

Nursery Funding

Funding received by the Local Authority to fund nursery places.

Rates Income

Reimbursement from central government for the cost of non-domestic rates.

Universal Infant Free School Meals

Funding for children in Years R to 2 to receive a daily free meal.

Teacher Pay & Pension Grant

Funding for additional teacher pay and pensions costs not included within the funding formula.

PE Grant

Income from the ESFA which is to be used to fund additional and sustainable improvements to the provision of PE and sport for the benefit of primary-aged pupils.

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

17. STATEMENT OF FUNDS (CONTINUED)

Covid 19 Additional Funding

To facilitate catch up learning during and post pandemic.

Mainstream Schools Additional Grant

Additional funding received from the ESFA.

Supplementary Grant

Funding received to provide support for the costs of the Health and Social Care levy and wider costs.

Free School start-up grant

This grant is offered in respect of approved eligible expenditure incurred in developing plans for the Monkerton Primary School and start-up expenditure in relation to Westclyst Community Primary School.

English Hub grant

English Hub schools promote a love of reading and support schools across the country to provide excellent phonics and early language teaching.

EdTech Demonstrator Grant

Demonstrator schools and colleges are a network of providers who have shown they can use technology effectively and have the capacity to help other schools and colleges to do the same. They support a range of schools and colleges during the coronavirus outbreak by helping those schools who are most in need of support, have recently adopted an online learning platform or have high numbers of disadvantaged learners. The support package includes advice, training, online tutorials, webinars and recorded content.

Accelerator Fund for English

Funding allocated to pre-existing English Hubs as Accelerator Fund Delivery partners across England to deliver Accelerator fund funding to schools who would benefit from funding to purchase complete Systematic Synthetic Phonics programmes including associated training and resources.

West Somerset Reading Project

A local needs fund to target improvements in literacy and numeracy at KS2 through funding of evidence-based programmes or activities that will address locally identified needs that are a barrier to attainment.

Science Learning Partnership

The Devon Science Learning Partnership is part of the national network of STEM Learning partnerships across the UK. As a DfE initiative, we take a leading role in supporting schools to provide an engaging and inspiring education for their students.

Global Enterprise Challenge

The Global Enterprise Challenge is an international competition run by Cornerstone Academy Trust where primary and secondary pupils from across the world take part by forming small trading companies. Supported and funded by Microsoft, the winning teams usually travel to locations such as Seattle or London to collect their award.

Connecting Classrooms

Connecting Classrooms helps pupils understand the big issues that shape our world and equip them with the knowledge, skills and attitudes they need to make a positive contribution. Connecting Classrooms through Global Learning is a partnership between the British Council and the Foreign, Commonwealth and Development Office. Funding received to date helps to pay for teachers to make educational trips to countries such as Ethiopia or Bangladesh, where learning experiences can be shared, and inspiration is aplenty.

Pension reserve

This fund represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme (LGPS).

17. STATEMENT OF FUNDS (CONTINUED)

Restricted Fixed Asset Funds

Fixed assets transferred on conversion

This represents the fixed assets transferred from the Local Authority on conversion.

Fixed assets purchased from GAG

This fund includes transfers from the GAG restricted fund for capital related expenditure. The balance at the year end represents the net book value of assets transferred from the GAG fund.

Devolved formula capital grants and Academies Capital Maintenance Fund grants

Grants from the ESFA to be spent on capital related expenditure.

Free School procurement grant

This represents eligible fixed assets purchased using the free school grant by way of a transfer.

Community Classroom

This represents fixed assets purchased from a local authority grant and a contribution from the Trusts unrestricted reserves to build a community classroom.

DFC Energy Grant

Grant from the ESFA to improve energy efficiency of schools within the trust.

Transfers in/out - In addition to the procurement grant, the transfer between the restricted funds and the restricted fixed asset funds represents GAG funding used to purchase fixed assets and DFC used to fund repairs of assets.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

17. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital Projects	-	-	-	227,000	-	227,000
GENERAL FUNDS						
General funds	293,042	953,350	(854,210)	(227,000)	-	165,182
Unrestricted fixed asset fund	82,505	-	(1,822)	-	-	80,683
	<u>375,547</u>	<u>953,350</u>	<u>(856,032)</u>	<u>(227,000)</u>	<u>-</u>	<u>245,865</u>
TOTAL UNRESTRICTED FUNDS	<u>375,547</u>	<u>953,350</u>	<u>(856,032)</u>	<u>-</u>	<u>-</u>	<u>472,865</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	4,643,104	(4,314,634)	(328,470)	-	-
Free school start up grant	-	110,000	(110,000)	-	-	-
Pupil Premium	-	260,718	(260,718)	-	-	-
Rates Income	-	35,488	(35,488)	-	-	-
Universal Infant Free School Meals	-	190,952	(190,952)	-	-	-
Teachers' Pay and Pension	-	33,743	(33,743)	-	-	-
English Hub Grant	-	406,029	(406,029)	-	-	-
PE Grants	17,340	71,800	(89,140)	-	-	-
High Needs	-	117,983	(117,983)	-	-	-
Covid-19 Additional Funding	-	75,260	(75,260)	-	-	-
Mainstream Schools Additional Grant	32,367	-	(32,367)	-	-	-

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

17. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Schools						
Supplementary Grant	-	799,460	(799,460)	-	-	-
Ed Tech Grant	-	186,646	(186,646)	-	-	-
Accelerator Fund for English	-	8,785	(8,785)	-	-	-
West Somerset Reading Project	-	29,112	(29,112)	-	-	-
Science Learning Partnership	8,920	133,271	(62,873)	-	-	79,318
Global Enterprise Challenge	15,000	-	-	-	-	15,000
Connecting Classrooms	18,240	-	-	-	-	18,240
Other DfE	-	74,626	(74,626)	-	-	-
Pension reserve	(4,317,000)	-	(864,000)	-	4,292,000	(889,000)
	<u>(4,225,133)</u>	<u>7,176,977</u>	<u>(7,691,816)</u>	<u>(328,470)</u>	<u>4,292,000</u>	<u>(776,442)</u>

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

17. STATEMENT OF FUNDS (CONTINUED)

**RESTRICTED
FIXED ASSET
FUNDS**

Fixed assets transferred on conversion	5,832,713	6,615,000	(255,204)	-	-	12,192,509
Fixed assets purchased from GAG and other restricted funds	345,855	-	(302,003)	328,470	-	372,322
Devolved Formula Capital grants	101,873	27,917	(14,235)	-	-	115,555
Academies Capital Maintenance Fund grants	1,615,046	-	(37,176)	-	-	1,577,870
Free school procurement grant	925,708	-	(120,238)	-	-	805,470
Donated property	6,590,400	-	(137,300)	-	-	6,453,100
	<u>15,411,595</u>	<u>6,642,917</u>	<u>(866,156)</u>	<u>328,470</u>	<u>-</u>	<u>21,516,826</u>
TOTAL RESTRICTED FUNDS	<u>11,186,462</u>	<u>13,819,894</u>	<u>(8,557,972)</u>	<u>-</u>	<u>4,292,000</u>	<u>20,740,384</u>
TOTAL FUNDS	<u><u>11,562,009</u></u>	<u><u>14,773,244</u></u>	<u><u>(9,414,004)</u></u>	<u><u>-</u></u>	<u><u>4,292,000</u></u>	<u><u>21,213,249</u></u>

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

17. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by Academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Cornerstone Academy Trust	499,674	585,423
Restricted fixed asset fund	21,468,551	21,516,826
Pension reserve	(191,000)	(889,000)
TOTAL	21,777,225	21,213,249

Total cost analysis by Academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Broadclyst Community Primary School	10,293	-	-	9,067	19,360	9,168
Westclyst School	13,823	-	-	10,038	23,861	19,787
Yeo Valley Primary School	26,871	-	-	5,120	31,991	10,046
Monkerton Community Primary School	2,324	-	-	5,003	7,327	1,900
Central services	4,977,152	1,391,256	1,387,605	1,806,132	9,562,145	8,506,947
ACADEMY TRUST	5,030,463	1,391,256	1,387,605	1,835,360	9,644,684	8,547,848

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	79,186	-	21,130,507	21,209,693
Current assets	1,740,214	77,638	338,044	2,155,896
Creditors due within one year	(1,397,364)	-	-	(1,397,364)
Provisions for liabilities and charges	-	(191,000)	-	(191,000)
TOTAL	<u>422,036</u>	<u>(113,362)</u>	<u>21,468,551</u>	<u>21,777,225</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	80,762	-	21,516,826	21,597,588
Current assets	1,320,836	112,558	-	1,433,394
Creditors due within one year	(928,733)	-	-	(928,733)
Provisions for liabilities and charges	-	(889,000)	-	(889,000)
TOTAL	<u>472,865</u>	<u>(776,442)</u>	<u>21,516,826</u>	<u>21,213,249</u>

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

19. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2023	2022
	£	£
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(278,024)	5,359,240
ADJUSTMENTS FOR:		
Depreciation	852,372	868,109
Capital grants from DfE and other capital income	(516,140)	(27,917)
Interest receivable	(129)	(110)
Defined benefit pension scheme cost less contributions payable	114,000	794,000
Defined benefit pension scheme finance cost	30,000	70,000
(Increase)/decrease in debtors	(214,966)	58,536
Increase/(decrease) in creditors	355,092	(43,769)
Donated tangible fixed assets	-	(6,615,000)
NET CASH PROVIDED BY OPERATING ACTIVITIES	342,205	463,089
20. CASH FLOWS FROM INVESTING ACTIVITIES		
	2023	2022
	£	£
Interest received	129	110
Purchase of tangible fixed assets	(350,938)	(356,597)
Capital grants from DfE group and local authority	266,140	27,917
NET CASH USED IN INVESTING ACTIVITIES	(84,669)	(328,570)
21. ANALYSIS OF CASH AND CASH EQUIVALENTS		
	2023	2022
	£	£
Cash in hand and at bank	1,249,253	991,717
TOTAL CASH AND CASH EQUIVALENTS	1,249,253	991,717

22. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	991,717	257,536	1,249,253
	991,717	257,536	1,249,253

23. PENSION COMMITMENTS

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 Devon County Council. Both are multi- employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2019.

Contributions amounting to £113,369 were payable to the schemes at 31 August 2023 (2022 - £95,202) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

23. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 are:

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

The 2020 valuation result is due to be implemented from 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £581,612 (2022 - £482,869).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>) for 2016 and www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx for 2020.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy 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 pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £698,794 (2022 - £1,270,144), of which employer's contributions totalled £563,794 (2022 - £1,164,144) and employees' contributions totalled £ 135,000 (2022 - £106,000). The agreed contribution rates for future years are 17.6% per cent for employers and 5.5 - 12.5% per cent for employees.

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

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

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

23. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2023	2022
	%	%
Rate of increase in salaries	3.85	3.9
Rate of increase for pensions in payment/inflation	2.85	2.9
Discount rate for scheme liabilities	5.3	4.25
Inflation assumption (CPI)	2.85	2.9

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

	2023	2022
	Years	Years
RETIRING TODAY		
Males	21.4	21.7
Females	22.6	22.9
RETIRING IN 20 YEARS		
Males	22.7	23
Females	24.0	24.3

SENSITIVITY ANALYSIS

	2023	2022
	£000	£000
Discount rate +0.1%	(90)	(118)
Discount rate -0.1%	93	121
Mortality assumption - 1 year increase	105	126
Mortality assumption - 1 year decrease	(102)	(122)
CPI rate +0.1%	90	125
CPI rate -0.1%	(87)	(122)

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

23. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	At 31 August 2023	At 31 August 2022
	£	£
Equities	2,101,000	1,893,000
Gilts and bonds	857,000	709,000
Property	332,000	356,000
Cash and other liquid assets	53,000	51,000
Target return portfolio	239,000	297,000
Infrastructure and alternative assets	359,000	264,000
TOTAL MARKET VALUE OF ASSETS	3,941,000	3,570,000

The actual return on scheme assets was £106,000 (2022 - £(121,000)).

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

	2023	2022
	£	£
Current service cost	(563,000)	(1,153,000)
Interest income	161,000	55,000
Interest cost	(191,000)	(125,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(593,000)	(1,223,000)

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

	2023	2022
	£	£
AT 1 SEPTEMBER	4,459,000	7,475,000
Interest cost	191,000	125,000
Employee contributions	135,000	106,000
Actuarial gains	(1,168,000)	(4,470,000)
Benefits paid	(48,000)	70,000
Current service cost	563,000	1,153,000
AT 31 AUGUST	4,132,000	4,459,000

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

23. PENSION COMMITMENTS (CONTINUED)

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

	2023	2022
	£	£
AT 1 SEPTEMBER	3,570,000	3,158,000
Interest income	163,000	57,000
Actuarial losses	(326,000)	(178,000)
Employer contributions	449,000	359,000
Employee contributions	135,000	106,000
Benefits paid	(48,000)	70,000
Administration expenses	(2,000)	(2,000)
AT 31 AUGUST	3,941,000	3,570,000

24. OPERATING LEASE COMMITMENTS

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

	2023	2022
	£	£
Not later than 1 year	264,828	240,658
Later than 1 year and not later than 5 years	225,444	224,183
	490,272	464,841

25. MEMBERS' LIABILITY

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

26. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Mrs J Bishop, wife of Mr J Bishop, a Trustee, is employed as a teaching assistant. Mrs Bishop's appointment was made in open competition, Mr Bishop was not involved in the recruitment process or decisions regarding her remuneration. Mrs Bishop is paid within the normal pay scales for her role and receives no special treatment as a result of her relationship with a Trustee.

Mrs Pitts, wife of Mr M Pitts, a Trustee until 15 February 2022, is employed as a music teacher. Mrs Pitts' appointment was made in open competition, Mr Pitts was not involved in the recruitment process or decisions regarding her remuneration. Mrs Pitts is paid within the normal pay scales for her role and receives no special treatment as a result of her relationship with a Trustee.

Mr J Beevor, domestic partner of Miss B Williams, a Trustee, was employed as a teacher in 2021/22. Mr J Beevor's appointment was made in open competition, Miss Williams was not involved in the recruitment process or decisions regarding his remuneration. Mr J Beevor is paid within the normal pay scales for his role and receives no special treatment as a result of his relationship with a Trustee.

Mrs Hall, wife of Mr C Hall, a member of the senior management team, is employed as a teaching assistant. Mrs Hall's appointment was made in open competition, Mr Hall was not involved in the recruitment process or decisions regarding her remuneration. Mrs Hall is paid within the normal pay scales for her role and receives no special treatment as a result of her relationship with a senior management team.

Mr B Bishop, son of Mr J Bishop, a Trustee, is employed as a caretaker. Mr B Bishop's appointment was made in open competition, Mr J Bishop was not involved in the recruitment process or decisions regarding his remuneration. Mr B Bishop is paid within the normal pay scales for his role and receives no special treatment as a result of his relationship with a Trustee.

The value of the related party transaction was: J Bishop: Remuneration £20,000 - £25,000 (2022: £15,000 - £20,000), Employer pension contributions £0 - £5,000 (2022: £0 - £5,000), Mrs Pitts: Remuneration £NIL (2022: £10,000 - £15,000), Employer pension contributions £NIL (2022: £0 - £5,000), Mr J Beevor: Remuneration £NIL (2022: £35,000 - £40,000), Employer pension contributions £NIL (2022: £5,000 - £10,000), Mrs Hall: Remuneration £10,000 - £15,000 (2022: £10,000 - £15,000), Employer pension contributions £0 - £5,000 (2022: £0 - £5,000), B Bishop: Remuneration £20,000 - £25,000 (2022: £0 - £5,000), Employer pension contributions £0 - £5,000 (2022: £0 - £5,000).