

Company Registration Number: 07339625 (England & Wales)

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

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

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

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**CORNERSTONE ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Hurren (Chair) S Noakes H Massey S Chapman S Taylor P Whitmarsh
Trustees	S Chapman, Chair 1, 3, 4, 5, 6, 7, 8, 9 A Dyer, Vice Chair 3, 4 J Bishop, CEO & Executive Headteacher 1, 2, 3, 5, 6 R Billen (resigned 7 May 2025) 1, 5, 8 K Dyson, Staff Trustee 1, 2, 4, 6, 8, 9 M Gordon 1, 2, 6, 7 J Waddingham 1, 2, 4, 5, 7, 9 R Brooks (resigned 16 July 2025) S Gessey (appointed 2 October 2024, resigned 5 February 2025) 3 J Goodall (appointed 2 October 2025) L Randall (appointed 2 October 2025) B Harper (appointed 10 September 2025) 3
	1 Personnel Committee 2 Admissions Committee 3 Finance & Audit Committee 4 Standards Committee 5 Facilities Committee 6 Pay & Performance Committee 7 Executive Pay & Performance Committee 8 Hubs Governance Committee 9 School Advisory Board
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	M Bailey
Accounting Officer	J Bishop

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

**Senior management
team**

J Bishop, CEO & Executive Headteacher
D James, Deputy CEO & Head of Education
N Rothery, Head of Schools
C Hall, Head of School Improvement
L Morris, Head of Schools
G Newbery, Trust Business Manager
A Pulfer, Head of Curriculum
T Cavallo, Head of Strategy & Children's Extended Services
R Pattison, Head of Schools
T Cook, Head of Schools
K Hayward, Trust Business Manager

Independent auditors

Bishop Fleming Audit Limited
Chartered Accountants
Statutory Auditors
Brook House
Winslade Park
Manor Drive
Clyst St Mary
Exeter
EX5 1GD

Bankers

Lloyds Bank
234 High Street
Exeter
Devon
EX4 3NL

Solicitors

Browne Jacobson
Keble House
Southernhay Gardens
Exeter
Devon
EX1 1NT

CORNERSTONE ACADEMY TRUST (A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2025. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates seven primary academies in Devon. Its academies had a combined pupil roll of 2,069 in the school census of October 2024. Note that as growing free school Monkerton Primary School had Years 4, 3, 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 225 Nursery places across the seven schools, and these are taken up by nearly 350 families on a part or full time basis. We also offer 60 place holiday clubs, both for Nursery children and those in Years R to 6, both of which are 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, Clyst Heath Primary School, Countess Wear Primary School, Marpool 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, although 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.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

Policies and Procedures adopted for the Induction and Training of Trustees

During the financial year under review the Trustees held eleven full Trustees' meetings and twenty five 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 eight committees as follows:

- Finance and Audit 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.
- Facilities Committee
- Admissions Committee
- Personnel Committee
- Pay and Performance Management Committee
- Executive Pay and Performance Committee
- Standards Committee
- Hub Governance Committee
- Schools Advisory Board

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 using 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, four Heads of Schools, Head of School Development, Head of Curriculum, Head of Children's Services, and two Trust Business Managers. The leadership team implement the policies laid down by the Trustees and report back to them on performance.

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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.

The trust continues to pay within the median pay scales based on an annual benchmarking exercise. 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 2025.

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. During the year there were no sponsors, but there were two independent Parent Teacher Associations that were associated with the Academy Trust, one of which ceased operating during the year.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

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 non-compulsory and 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:

Cornerstone Academy Trust is committed to creating a dynamic and inclusive learning environment that inspires every child to achieve high standards and become confident, lifelong learners. We set ambitious expectations, nurture self-belief, and ensure success for all.

Our Trusts fosters creativity, curiosity, and resilience—encouraging children to think critically, solve problems, and communicate effectively. Through collaboration at all levels, including with our international partners, pupils develop the adaptability and global awareness needed to thrive in a diverse and rapidly changing world.

The main objectives of the Trust during the year ended 31st August 2025 are summarised below:

This year, from 1st September 2024, the trust has taken on three new schools who have been supported since January 2024 as part of a management partnership. Our main focus and priority has been to ensure that all of these schools are successfully inducted into the Cornerstone Academy Trust and supported to start their improvement journey

In addition to this our objectives have continued to focus on

- Manage the transfer of the three new schools into the Trust
- Monitor the impact of the growth of 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
- Ensure every school, including the new schools, has equitable delivery through development of the core curriculum offer, school services, out of school activities, wraparound provision, school facilities and buildings.
- 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
- Monitor the ongoing impact of the current economic situation both in terms of families and the financial management of the trust
- 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 to maintain the quality of the current schools and develop the new schools to bring them up to the high standards and expectations of the trust across all areas of delivery

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- 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 Hub.
- Engage with and participate in national initiatives to deliver excellence and promote best practice e.g. RISE programme,
- 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

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

- Managing the transfer into the trust of three new schools to maintain the safety of all children, build the quality of education, improve the infrastructure and create equitable access to the core offer within all our schools, and manage the financial adjustments to sustain a stable financial footing.
- Maintaining the quality of education in the Trust's current schools and continuing with the planned programme of developments
- Ensuring the wider curriculum offer is delivered including early years provision, wraparound and holiday 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
- Sustaining 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

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

Strategic Priority	Area of Focus	Key Activities & Outcomes
1. Trust Growth & Integration	Integration of New Schools	Successfully integrated three new schools. Activities have ensured improved safeguarding processes, development of infrastructure to bring new schools up to Cornerstone specifications, implementation of curriculum parity and support for teaching staff to deliver this effectively. Alignment of financial planning to sustain long-term stability
	Leadership Governance	The development of the leadership team to support growth has been tried and tested and show that the planning for growth enabled the successful integration of the new schools and swift improvements to be made. Ongoing coaching and NPQ access for all leaders has enabled successful succession planning and integration of new school leadership teams.
2. Quality of Education	Pupil Outcomes	Monitor attainment and progress termly across all year groups Use internal and national data to identify gaps and plan interventions- Sustain post-pandemic recovery and exceed 2019 benchmarks
	Curriculum Development	Embed faculty structure and subject leadership Strengthening triangulation of curriculum policy, practice, and evidence - Expand Maths development via NCETM programmes
	Teaching & Learning	Weekly CPD and ongoing Classroom Coaching cycles Leadership team support for targeted year group Use evidence-based strategies to improve pedagogy
	Early Career Teachers	- Deliver ECT program via SWIFT and Teach First- Provide mentoring from phase and faculty leads- Monitor retention and wellbeing of ECTs
3. Inclusion & SEND	SEND Provision	Strengthen cross-Trust SEND services (SENDCOs, therapists, nurses) particularly supporting new schools to embed approaches to behaviour management and inclusive practices in the classroom Ongoing support to embed Assess, Plan, Do, Review cycle consistently and deliver ordinarily available inclusive provision (OAIP)
4. Wider Curriculum & Core Offer	Wraparound & Holiday Provision	Expand 50-week nursery and wraparound care Deliver holiday clubs across all campuses where there is parental need Embed leadership oversight during non-term periods
	Enrichment Services	Implement the enrichment services delivered in current schools into the new schools including family dining service, school library with dedicated librarians, one to one devices for all pupils, climbing walls, TV studio, forest school and outside education provision, increased out of school

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		activities, trips programme. Finalise implementation of relevant offer for current schools i.e., TV studio in Yeo Valley, Monitor uptake and satisfaction of enrichment services
5. School-to-School Improvement	Curriculum Hubs & EdTech	Maintain delivery of English, Science, Computing, and Behaviour Hubs and manage the exit strategy as these end. English Hub will be the only Hub delivered in 25/26 Train and support hub teams with admin capacity Engage with and participate in the RISE Programme. CEO appointed as RISE Advisor and RISE school to school support allocated to Cornerstone Trust.
	Moral Purpose & Collaboration	Share best practice across schools Support regional improvement through hub outreach Align hub work with Trust's moral purpose of improving education for all
6. Sustainability & Future Growth	Trust Development	-Develop readiness framework for new schools to join- Promote the Cornerstone educational experience- Review environmental and financial sustainability measures
	Leadership and Operational Structures and processes	Implement staffing structure to support growth and improvement- Deploy staff effectively to support Exe Estuary Federation partnership- Benchmark pay scales and responsibilities to reflect Trust expansion
	Compliance, policies, and Procedures	Revise policy review cycle for Trust Board, committees, and school operational delivery Maintain compliance across operational systems particularly financial, risk and audit and health and safety Ensure consistent implementation of procedures across all schools

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.

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FOR THE YEAR ENDED 31 AUGUST 2025**

STRATEGIC REPORT**ACHIEVEMENTS AND PERFORMANCE****Overview**

During the 2024/25 academic year, the Cornerstone Trust continued to build on its strategic priorities, successfully integrating three new schools and expanding its operational capacity. This work aligns directly with the Trust's strategic objectives and reflects a commitment to delivering high-quality education, inclusive practice, and a rich wider curriculum offer.

Strategic Priority 1: Trust Growth & Integration

- **Integration of New Schools:** The Trust has successfully onboarded three schools from the Exe Estuary Federation, following a management partnership initiated in 2023. This included curriculum, behaviour, SEND, and infrastructure improvements.
- **Leadership & Governance:** Leadership capacity was expanded to build on the current leadership model with a new head of schools being appointed to oversee two of the new schools, the previous Executive Head Teacher from Exe Estuary Federation took on the Head of Schools for a current Cornerstone School and one of the new schools. Deputy Heads of school were appointed from within the Exe Estuary leadership team and from across the current staffing in Cornerstone. A senior leader transitioned into a Head of School Improvement role to support the integration. The business manager from Exe Estuary Federation has joined the Business management team within Cornerstone and has provided additional resource and expertise that has increased the capacity within the finance and back-office teams.
- A new finance Trustee was appointed in July.

Strategic Priority 2: Quality of Education

- **Westclyst Community Primary School** was visited by Ofsted in December 2024 for a Section 5 one day inspection. The outcome of this inspection was that the school maintained its Outstanding judgement.
- **Curriculum Development:** Faculty and phase leadership structures have been embedded across all schools, enabling triangulation of teaching quality, curriculum delivery, and pupil outcomes. The creation and implantation of a digital curriculum aligned across the trust has been successful.
- **Teaching & Learning:** Weekly CPD and coaching cycles continue to support staff development. The Trust identified areas for improvement through its school improvement planning process.

Strategic Priority 3: Inclusion & SEND

- **SEND Provision:** The Trust deployed SENDCOs and therapists to support the new schools, ensuring consistency in the Assess, Plan, Do, Review cycle and inclusive practice.

Strategic Priority 4: Wider Curriculum & Core Offer

- **Wraparound & Holiday Provision:** The Trust extended its wraparound and holiday club provision to the new schools, ensuring equitable access.
- **Enrichment Services:** Pupils participated in a wide range of activities including trips to Dartmoor, London, and the Netherlands. The Trust remains one of a few primary providers offering international trips.

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Strategic Priority 5: School-to-School Improvement

- Curriculum Hubs & EdTech: The Trust's English Hub supported 38 schools intensively with phonics and early reading. EdTech continues to be a strength, with all pupils having access to devices.
- Recognition & Impact: Cornerstone remains a Microsoft Showcase Trust. The CEO presented at numerous events, and has taken up the role of a RISE advisor, supporting schools across the southwest.

Strategic Priority 6: Sustainability & Future Growth

- Trust Development: The integration of new schools was supported by a readiness framework and extensive engagement with staff, unions, and families.
- Infrastructure & Estates: Site surveys led to a DfE funding bid. Improvements included refurbished interiors, new libraries, art rooms, and science spaces.
- Sustainability Initiatives: The Trust introduced Bikeability, and continued to offer e-bikes for staff, and an electric car scheme to support climate action.

Conclusion

The operational work undertaken during 2024/25 demonstrates the Trust's ability to scale effectively while maintaining its core values and strategic focus. The integration of new schools has strengthened the Trust's educational offer and extended its impact regionally and nationally.

Marpool

This was Marpool's first year of sponsorship following an Inadequate Ofsted rating in June 2023. The school fully adopted the trust curriculum, policies and processes in all areas. School was led by a Head of School, also responsible for Countess Wear and an experienced Deputy Head of School, previously Headteacher at Clyst Heath for Exe Estuary Federation. The Deputy Head resigned from post at the end of the academic year with the post subsequently filled by the highly experienced Deputy Head from Westclyst. The school has a resource base for which a new lead was recruited, the trust is reviewing it's use and designation and is investing in resourcing it accordingly.

Significant trust resource has been targeted at introducing new curriculum and resource including one to one-to-one device provision, raising the quality of teaching, addressing poor behaviour, adjusting the approach to SEND provision and improving the fabric of the school.

Marpool has received significant capital Investment through the strategic school improvement capital budget, SSICB. Funding was awarded for Marpool Primary School to address priority condition uses relating to the building and estate.

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Marpool Primary School works being undertaken which commenced on 1st August 2025

- Flat roof coverings replacement
- Replacing single glazed metal windows.
- Fire Doors replacements and repairs to bring up to an acceptable standard of compliance.
- Ventilation: several new extract fans need to be installed to existing ventilation systems and areas without proper ventilation.
- General electrical and mechanical systems: the existing gas fired water heater is not in operation and requires urgent attention. The boiler flues from the main building boiler room need urgent attention due to water leakage causing a health & safety risk to the steps down to the plantroom. Some LST radiator covers need to be replaced due to corrosion. Repairs are required to the LTHW heating, domestic water, and gas pipework systems, and valves to be installed. The installation of the PV system on the Year 2/3 roof connected into the Foundation Building has created a potentially unsafe situation in the Year 2/3 building with missing shields in the distribution board and inadequate labelling at the buildings main distribution board.
- Electrical re wiring: most of the electrical cabling installing is believed to be circa 25 years old and would require replacing.
- Toilet areas: several areas have been identified for upgrading due to the deteriorating state and non-compliance with health and safety standards

Devon County Council upgraded the Fire Alarm and Emergency lighting in August 2024 as large elements of the 'life' systems i.e. fire alarm and emergency lighting were life expired or missing leaving systems needing additional equipment and/or replaced to meet current standards.

In addition, Marpool has also had significant investment from the Trust in:

- Upgrading furniture
- Refurbishing EYFS, Year 1, Year 2, Year 6 classrooms
- New art and science rooms
- Fully stocked and staffed Library
- Additional kitchen works and upgrading of equipment
- New screens in every classroom

Countess Wear

This was also Countess Wear's first year of sponsorship following successive Requires Improvement Ofsted ratings in Jan 2019 followed by October 2022. The school fully adopted the trust curriculum, policies and processes in all areas. School was led by a Head of School, also responsible for Marpool and an experienced Deputy Head of School, previously Headteacher at Marpool for Exe Estuary Federation. The school has a Deaf Inclusion Hub and leases premises to Exeter Supply Partnership.

Significant trust resource has been targeted at introducing new curriculum and resource including one to one-to-one device provision, raising the quality of teaching, addressing poor behaviour, adjusting the approach to SEND provision and improving the fabric of the school.

Countess Wear has received significant capital Investment through the strategic school improvement capital budget, SSICB. Funding was awarded to address priority condition uses relating to the building and estate.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

Countess Wear works being undertaken commenced on 25th July

- Flat roof coverings replacement
- Fire Doors: carry out replacements and repairs to bring up to an acceptable standard of compliance.
- Fire Alarm and Emergency lighting: it has been identified in both the MEP report and also the Fire Risk Assessment that the entire fire alarm needs replacing, and the emergency/escape lighting requires significant upgrades.
- Electrical Wiring: the need for complete re wiring has been identified. General electrical and mechanical systems: various repairs and replacements have been identified which is not unexpected, given the age and condition of the buildings.
- Basement Damp: the school has been experiencing severe on-going damp issues with physical water entering the lower basement area through the concrete floor. The permanent solution consists of a cavity drained tanking membrane to the floor and walls with a pumped system.
- Underground Drainage: the drainage system has caused significant problems which have threatened the function of classrooms including closure. Remedial works such as repairing drainage affected by tree roots, renewing and relining defective lengths of drains and repairing manholes will be required.
- Hall Floor: the existing vinyl floor covering is life expired and becoming unsafe, requiring regular repairs and maintenance and will need replacement.

In addition, Countess Wear has also had significant investment from the Trust in:

- Upgrading furniture
- Refurbishing Year 5 and 6 classrooms
- New art and science rooms
- Fully stocked and staffed Library
- New Screens in every classroom

Clyst Heath

Also, Clyst Heath's first year within the Trust following the governing body decision of Exe Estuary Federation for each school in the federation to join the trust. The school was judged to be good following a short inspection in October 2017, however, when inspected in July 2023 under Section 8 the evidence gathered suggested the inspection grade might not be as high if a graded inspection under Section 5 were carried out at that time.

The school fully adopted the trust curriculum, policies and processes in all areas. School was led by a Head of School, also responsible for Monkerton, the previous executive headteacher of Exe Estuary Federation. The existing but class-based Deputy Head of School was released from teaching to provide the leadership capacity common to each school in the Trust.

Significant trust resource has been targeted at introducing new curriculum and resource including one to one-to-one device provision, raising the quality of teaching, addressing poor behaviour, adjusting the approach to SEND provision and improving the fabric of the school.

Clyst Heath has also had significant investment from the Trust in:

- Upgrading furniture
- Refurbishing Year 1- 6 classrooms
- New art and science rooms
- Fully stocked and staffed Library
- New Screens in every classroom
- New security fencing and Paxton locks
- Installation of kitchen to enable meals to be cooked on site

Devon County Council also funded £50,000 replacements for the main boilers and ancillary plant that was approaching the end of their life expectancy.

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Monkerton

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

This year has seen some change in leadership with an Executive Head Teacher from Exe Estuary Federation taking on the Head of School role. The Deputy Head of Schools is a long-standing member of the Cornerstone Leadership team and provided the stability and day to day oversight of the school as it increased to include Yr 4.

Staff and children have continued 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.

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 has included the development of a new TV studio, designing and furnishing an office space into an art room, allowing for a dedicated science room and creating a new meeting room.

Yeo Valley

Yeo Valley was inspected in May 2023 and has made significant progress since the Trust took on sponsorship with two outstanding gradings for leadership and EYFS and an overall good for all other areas. Given the social demographics and starting points for many of these children this progress and improvement has continued this year.

The school has now a dedicated head of school who works closely with the newly appointed deputy head of school to support the community and respond to the high levels of safeguarding and early help needs within the school.

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. Improvement this year include New electric gates to carpark to improve site security, improvements to forest school area.

There is ongoing work with Devon County Council to explore the option in relation to selling a parcel of land currently used as a playing field to support the improvements. This will not impact on the children's access to sporting opportunities or green spaces as the current site can accommodate these activities without needing to use the other space.

Westclyst

Westclyst Community Primary School was visited by Ofsted in December 2025 for a Section 5 one day inspection. The outcome of this inspection was that the school maintained its Outstanding judgement. The inspector's feedback to Trustees was extremely positive and complimentary and articulated the lived experience of our vision and mission for all children. There were no actions which is unusual.

There have been enhancements to the Forest School area, including installation of a new gazebo and polytunnels. The community room is now in full use. Throughout the school day, it is used as a dedicated Art and DT learning space, allowing for the specialist teachers to deliver high quality lessons. Outside of school hours, it is being used in partnership with the Parish Council as a space for the local youth club and the football club.

Broadclyst

The school maintained its high performance. Results in all national assessments (EYFS Profile, Phonics Screener, KS2 SATs and the Y4 multiplication check) have all been above national average.

Refurbishment of windows and KS2 toilets was completed during the summer.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

The Curriculum Hub and School to School Support Offer

The curriculum hubs have continued to run successfully but unfortunately this year the government has ceased funding for all of the hubs apart from the English hubs. There were successful exit strategies for each of the hubs. 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.

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 – Inspected Dec 2024 – retained outstanding
Clyst Heath – previously Good
Marpool – previously Inadequate
Countess Wear – previously double Requires Improvement

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. We are launching the new Education committee in October 2025, tying together the curriculum reviews, school development plans and self-evaluation, data and assessment and professional development.

The schools continue to perform well in statutory assessments, however our KS2 SATs results have been down on last year. Westclyst Primary Year 6 continues to have high inward mobility, and increased SEND levels, which has meant that outcomes have been lower than we would expect. However, progress for these children is good. A focus on ensuring that children are supported to achieve the expected standard will be implemented. 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 which now puts them in line with or above national data. Broadclyst has maintained excellent results and Monkerton continues to perform well, as the school expands into Key Stage 2.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

EYFS – % of children reaching Good Level of Development:

GLD	BCPS	WCPS	MCPS	YVPS	CHPS	CWPS	MPS	National
2025	92%	90%	78%	70%	80%	75%	74%	68%
2024	95%	92%	87%	61%	-	-	-	68%

Phonics - % of children meeting expected standard:

	BCPS	WCPS	MCPS	YVPS	CHPS	CWPS	MPS	National
2025	93%	93%	93%	73%	82%	60%	83%	80%
2024	93%	93%	100%	86%	-	-	-	79%

Year 4 Multiplication Tables Check:

2025	BCPS	WCPS	MCPS	YVPS	CHPS	CWPS	MPS
25/25	65%	72%	48%	16%	35%	35%	33%
Over 20	84%	83%	66%	32%	76%	53%	65%
Avg.	22.9	23	19.4	16.3	21.5	20.9	20.5

KS2 SATS - % of children meeting expected standard:

	National	BCPS	WCPS	YVPS	MPS	CWPS	CHPS
Reading	74%	92%	67%	78%	60%	74%	78%
Writing	72%	89%	83%	78%	57%	48%	78%
Maths:	73%	91%	76%	74%	53%	74%	65%
Combined	61%	81%	62%	67%	43%	43%	63%

Pupil Numbers

To attract 66 children at each of Broadclyst, Monkerton and Westclyst, 45 at Clyst Heath and 30 at each of Yeo Valley, Countess Wear and Marpool.

We received 120 first choice preferences for 66 places at Monkerton, as well as over 80 first choice preferences for 66 places at Westclyst.

Broadclyst filled its 66 places. Yeo Valley started September with 20 reception places filled. Clyst Heath secured 43 reception children following a successful PR campaign, however, the numbers at both Countess Wear and Marpool were disappointing at 10 and 16 respectively.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

Attendance

1. Percentages per campus (Whole Year)

	Whole school	Statutory Attendance	Persistent Absentees	Lates	Authorised Absence	Unauthorised Absence
BCPS	95.50%	95.90%	8.20%	0.63%	3.70%	0.79%
WCPS	95.60%	96.20%	5.20%	0.37%	3.80%	0.67%
YVPS	93.10%	93.20%	21.40%	2.60%	4.50%	2.40%
MCPS	96.10%	96.90%	4.00%	0.45%	3.40%	0.50%
CHPS	95.40%	95.90%	7.20%	0.30%	3.40%	1.20%
CWPS	93.60%	93.60%	16.50%	0.90%	4.50%	1.80%
MPS	93.70%	93.80%	14.20%	1.00%	5.30%	1.00%
National	94.50%		15.30%		3.90%	1.50%

Curriculum Hub KPIs:

English Hub

- Engaged approximately 160 schools with medium level support.
- Full quota of audits achieved. 80 delivered.
- Recruited 16 additional new partner schools (“Wave 7”)
- Passported £188,000 in resource funding to schools with a robust audit and assessment of need.
- Provided 9 medium level support network meetings, reading for pleasure course, an early language programme and a reading ambition for all programme
- Deliver 221 days of literacy specialist support
- Ran a national conference meeting for the DfE online.
- Continued 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

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FOR THE YEAR ENDED 31 AUGUST 2025**

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e., whether there is 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 secured a new medium term energy contract for which international market conditions were closely monitored up until the point of signature. This offers some initial protection against the market forces still surrounding the energy sector. The Trust made a decision early on in the budget setting process to cost teacher salary increases at a realistic level, meaning the final agreed settlement did not come as a shock to the budget. As a result, the Directors were able to agree a three-year balanced budget.

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.

FINANCIAL REVIEW

Most of the Trust's income is obtained from the DfE 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 2025 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 2025, the Academy received total income (excluding fixed asset funding) of £16,053,581 and incurred total expenditure (excluding fixed asset funds and the pension fund) of £15,520,644. The excess of income over expenditure for the year was £532,937.

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 2024/25 was to aim to set aside reserves of at least £180,000 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 £449,700. These are included in unrestricted free reserves. Additionally, there were £90,000 designated reserves carried forward relating to funds ringfenced 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 reserve.

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.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

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 DfE. 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 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 defined benefit pension scheme reserve has an accounting surplus. However, the Academy Trust continue to make employers' pension contributions from the Academy Trust's budgeted annual income. The Academy Trust has an unrecognised surplus of £2,226,000 (2024: £121,000) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds. The Trustees consider that the Trust is able to meet its known annual contributions for the foreseeable future.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

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

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

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

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 Audit Limited, 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 15th December 2025 and signed on the board's behalf by:



Samantha Chapman

Samantha Chapman
Chair of Trustees

**CORNERSTONE ACADEMY TRUST
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025**

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	11	11
A Dyer	11	11
K Dyson	10	11
J Waddingham	9	11
R Billen	0	8
M Gordon	10	11
J Bishop	9	11
R Brooks	9	11
S Gessey	4	5
B Harper	1	1

Key Changes

Three trustees resigned from the Board during the year.

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.

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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

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 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.

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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

- 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.
- 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	8	9
J Bishop	9	9
M Gordon	8	9
S Gessey	3	4
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.

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

**CORNERSTONE ACADEMY TRUST
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FOR THE YEAR ENDED 31 AUGUST 2025**

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 2024 to 31 August 2025 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 2024 to 31 August 2025 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.

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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

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 the DfE 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.

CONCLUSION

Based on the advice of the audit and risk committee and the accounting officer, the board of trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees on 15th December 2025 and signed on their behalf, by:



Samantha Chapman

S Chapman
Trustee



Jonathan Bishop

J Bishop
Accounting Officer

**CORNERSTONE ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Cornerstone Academy Trust, I confirm that I have had due regard to the framework of authorities governing regularity, propriety and compliance, including the Academy Trust's funding agreement with DfE, and the requirements of the Academy Trust Handbook, including responsibilities for estates safety and management. I have also considered my responsibility to notify the Academy Trust Board of Trustees and DfE of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management.

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 framework of authorities.

I confirm that no instances of material irregularity, impropriety or 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 DfE.



Jonathan Bishop

J Bishop
Accounting Officer

Date: 18 December 2025

**CORNERSTONE ACADEMY TRUST
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2025**

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 Department for Education, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 2024 to 2025;
- 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:



Samantha Chapman

S Chapman
Chair of Trustees

Date: 18 December 2025

**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 2025 which comprise the Statement of Financial Activities (incorporating income and expenditure account), 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 and 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 2024 to 2025 issued by the Department for Education.

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 2025 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 2024 to 2025 issued by the Department for Education.

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.

**CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)****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 which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and Directors' 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 Statement of Trustees' Responsibilities, 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.

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

**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 non-compliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the Department for Education 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 Academy Trust 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, the Academy Trust Handbook, the Companies Act 2006 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.

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

**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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

C Martin

Charles Martin

Charles Martin FCA (Senior statutory auditor)

for and on behalf of

Bishop Fleming Audit Limited

Chartered Accountants

Statutory Auditors

Brook House

Winslade Park

Manor Drive

Clyst St Mary

Exeter

EX5 1GD

Date: 19 December 2025

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
CORNERSTONE ACADEMY TRUST AND THE DEPARTMENT FOR EDUCATION**

In accordance with the terms of our engagement letter dated 1 October 2024 and further to the requirements of the Department for Education (DfE) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Cornerstone Academy Trust during the year 1 September 2024 to 31 August 2025 have not been applied to the purposes intended by Parliament and that the financial transactions do not conform to the authorities which govern them.

This report is made solely to Cornerstone Academy Trust and the Secretary of State for Education in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Cornerstone Academy Trust and the Secretary of State for Education 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 the Secretary of State for Education, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the accounting officer of Cornerstone Academy Trust

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 2024, 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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. 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 2024 to 31 August 2025 have not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
CORNERSTONE ACADEMY TRUST AND THE DEPARTMENT FOR EDUCATION (CONTINUED)**

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by DfE, which requires a limited assurance engagement as set out in our engagement letter.

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

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

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

The work undertaken to draw conclusions include:

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

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

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

In line with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
CORNERSTONE ACADEMY TRUST AND THE DEPARTMENT FOR EDUCATION (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 2024 to 31 August 2025 has not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

C Martin

Charles Martin

Charles Martin FCA
Reporting Accountant
for and on behalf of
Bishop Fleming Audit Limited
Chartered Accountants
Statutory Auditors
Brook House
Winslade Park
Manor Drive
Clyst St Mary
Exeter
EX5 1GD

Date: 19 December 2025

CORNERSTONE ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:						
Other donations and capital grants	3	169,504	(86,000)	17,621,475	17,704,979	43,662
Other trading activities	5	820,711	-	-	820,711	658,532
Investments	6	195	20,000	-	20,195	165
Charitable activities:						
Academy Trust educational operations		1,202,045	16,119,581	-	17,321,626	10,928,725
Total income		2,192,455	16,053,581	17,621,475	35,867,511	11,631,084
Expenditure on:						
Charitable activities:						
Academy Trust educational operations		2,250,754	15,280,644	1,200,411	18,731,809	11,539,091
Total expenditure		2,250,754	15,280,644	1,200,411	18,731,809	11,539,091
Net income/ (expenditure)		(58,299)	772,937	16,421,064	17,135,702	91,993
Transfers between funds	17	-	(698,937)	698,937	-	-
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	-	1,931,000	-	1,931,000	151,000
Pension surplus not recognised	24	-	(2,105,000)	-	(2,105,000)	(121,000)
Net movement in funds		(58,299)	(100,000)	17,120,001	16,961,702	121,993
Reconciliation of funds:						
Total funds brought forward		674,189	100,000	21,125,029	21,899,218	21,777,225
Net movement in funds		(58,299)	(100,000)	17,120,001	16,961,702	121,993
Total funds carried forward		615,890	-	38,245,030	38,860,920	21,899,218

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025**

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

The notes on pages 40 to 77 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	14	36,858,746	21,202,717
		<u>36,858,746</u>	<u>21,202,717</u>
Current assets			
Debtors	15	3,462,546	1,000,603
Cash at bank and in hand	21	2,038,079	1,538,219
		<u>5,500,625</u>	<u>2,538,822</u>
Creditors: amounts falling due within one year	16	(3,498,451)	(1,842,321)
Net current assets		2,002,174	696,501
Defined benefit pension scheme asset	24	-	-
Total net assets		<u>38,860,920</u>	<u>21,899,218</u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	38,245,030	21,125,029
Restricted income funds	17	-	100,000
Total restricted funds	17	38,245,030	21,225,029
Unrestricted income funds	17	615,890	674,189
Total funds		<u>38,860,920</u>	<u>21,899,218</u>

The financial statements on pages 36 to 77 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Samantha Chapman

S Chapman
Chair of Trustees

Date: 18 December 2025

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025**

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(233,837)	1,031,915
Cash flows from investing activities	20	733,697	(742,949)
Change in cash and cash equivalents in the year		499,860	288,966
Cash and cash equivalents at the beginning of the year		1,538,219	1,249,253
Cash and cash equivalents at the end of the year	21, 22	2,038,079	1,538,219

The notes on pages 40 to 77 form part of these financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

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 2024 to 2025 issued by the Department for Education, 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 is 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 secured a new medium term energy contract for which international market conditions were closely monitored up until the point of signature. This offers some initial protection against the market forces still surrounding the energy sector. The Trust made a decision early on in the budget setting process to cost teacher salary increases at a realistic level, meaning the final agreed settlement did not come as a shock to the budget. As a result, the Trustees were able to agree a three-year balanced budget.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

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

Donations 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.

Transfer on conversion

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

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 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 each 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

1. ACCOUNTING POLICIES (continued)

1.6 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:

Freehold property/land	- 2% straight line
Long-term leasehold property/land	- 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.

1.7 DEBTORS

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

1.8 CASH AT BANK AND IN HAND

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

1.9 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

1. ACCOUNTING POLICIES (continued)

1.10 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.

1.11 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.

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1. ACCOUNTING POLICIES (continued)

1.12 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.

Under FRS 102 an entity shall only recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Therefore when a pension scheme is valued at a surplus, it is recognised as a £Nil value.

1.13 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.

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

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1. ACCOUNTING POLICIES (continued)

1.14 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 asset/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 24, will impact the carrying amount of the pension asset/liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions asset/liability at 31 August 2025. 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 asset/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.

As detailed in note 24, the Academy Trust have not recognised a Local Government Pension Scheme defined benefit pension asset as the Academy Trust consider that this asset is not recoverable due to the unlikelihood of reduced contributions or refunds from the scheme in the future.

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FOR THE YEAR ENDED 31 AUGUST 2025

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £	Total funds 2024 £
Assets transferred on conversion	109,271	(86,000)	14,670,875	14,694,146	-
Other Donations	60,233	-	-	60,233	12,197
	<u>169,504</u>	<u>(86,000)</u>	<u>14,670,875</u>	<u>14,754,379</u>	<u>12,197</u>
Capital Grants	-	-	2,950,600	2,950,600	31,465
SUBTOTAL	<u>-</u>	<u>-</u>	<u>2,950,600</u>	<u>2,950,600</u>	<u>31,465</u>
TOTAL 2025	<u><u>169,504</u></u>	<u><u>(86,000)</u></u>	<u><u>17,621,475</u></u>	<u><u>17,704,979</u></u>	<u><u>43,662</u></u>
TOTAL 2024	<u><u>12,197</u></u>	<u><u>-</u></u>	<u><u>31,465</u></u>	<u><u>43,662</u></u>	

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4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
EDUCATIONAL OPERATIONS				
DFE GRANTS				
General Annual Grant	-	10,656,150	10,656,150	5,812,562
OTHER DFE GRANTS				
Pupil Premium	-	711,432	711,432	360,612
Universal Infant Free School Meals	-	273,779	273,779	229,295
CSBG/Mainstream Schools Additional Grant	-	366,939	366,939	194,180
West Somerset Reading Project	-	265,385	265,385	277,756
Conversion Support Grant	-	-	-	205,000
English Hub Grant	-	675,772	675,772	647,800
Science Learning Partnership	-	-	-	141,202
Teachers Pay and Pension Grant	-	390,920	390,920	142,827
Accelerator Fund	-	-	-	176,000
Other DfE Grants	-	536,207	536,207	553,197
	-	13,876,584	13,876,584	8,740,431
OTHER GOVERNMENT GRANTS				
SEN Income	-	749,485	749,485	164,118
Nursery Income	-	1,493,512	1,493,512	1,074,430
	-	2,242,997	2,242,997	1,238,548
Other income from the Academy Trust's educational operations	1,202,045	-	1,202,045	949,746
TOTAL 2025	1,202,045	16,119,581	17,321,626	10,928,725
TOTAL 2024	949,746	9,978,979	10,928,725	

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FOR THE YEAR ENDED 31 AUGUST 2025**

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Lettings	76,299	76,299	24,645
Fees received	481,434	481,434	308,698
Other	262,978	262,978	325,189
TOTAL 2025	820,711	820,711	658,532

All 2024 amounts relate to unrestricted funds.

6. INVESTMENT INCOME

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Bank interest	195	-	195	165
Pension income	-	20,000	20,000	-
TOTAL 2025	195	20,000	20,195	165
TOTAL 2024	165	-	165	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

7. EXPENDITURE

	Staff Costs 2025 £	Premises 2025 £	Other 2025 £	Total 2025 £	Total 2024 £
EDUCATION:					
Direct costs	10,294,220	1,786,886	1,142,867	13,223,973	7,984,579
Allocated support costs	2,429,748	1,385,471	1,692,617	5,507,836	3,554,512
TOTAL 2025	<u>12,723,968</u>	<u>3,172,357</u>	<u>2,835,484</u>	<u>18,731,809</u>	<u>11,539,091</u>
TOTAL 2024	<u>7,266,593</u>	<u>2,366,195</u>	<u>1,906,303</u>	<u>11,539,091</u>	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Education	13,223,973	5,507,836	18,731,809	11,539,091
TOTAL 2024	<u>7,984,579</u>	<u>3,554,512</u>	<u>11,539,091</u>	

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8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Education 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	2,338,748	2,338,748	1,623,167
Depreciation	338,490	338,490	240,963
Recruitment and support	61,031	61,031	52,711
Maintenance of premises and equipment	370,064	370,064	209,007
Cleaning	515,493	515,493	268,672
Rent and rates	175,919	175,919	99,037
Energy costs	298,062	298,062	152,011
Insurance	67,090	67,090	39,688
Security and transport	229,700	229,700	135,801
Catering	700,415	700,415	466,772
Technology costs	18,594	18,594	19,413
Office overheads	66,436	66,436	38,608
Legal and professional	269,589	269,589	164,054
Bank interest and charges	22,155	22,155	17,273
Accountancy	8,140	8,140	7,255
Governance costs	27,910	27,910	20,080
TOTAL 2025	5,507,836	5,507,836	3,554,512

9. NET (EXPENDITURE)/INCOME

Net (expenditure)/income for the year includes:

	2025 £	2024 £
Operating lease rentals	422,201	326,873
Depreciation of tangible fixed assets	1,201,908	781,555
Fees paid to auditors for:		
- audit	15,900	15,000
- other audit services	3,800	3,910
- other services	5,385	9,690

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**NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF

a. STAFF COSTS AND EMPLOYEE BENEFITS

Staff costs during the year were as follows:

	2025	2024
	£	£
Wages and salaries	9,487,442	5,601,755
Social security costs	967,261	468,742
Pension costs	2,086,636	1,085,361
	12,541,339	7,155,858
Agency staff costs	182,629	110,735
	12,723,968	7,266,593

b. STAFF NUMBERS

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

	2025	2024
	No.	No.
Teachers	118	70
Administration and Support	225	140
Management	14	12
	357	222

The average headcount expressed as full-time equivalents was:

	2025	2024
	No.	No.
Teachers	109	61
Administration and Support	154	120
Management	14	11
	277	192

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10. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2025 No.	2024 No.
In the band £60,001 - £70,000	3	1
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	3	-
In the band £110,001 - £120,000	-	1
In the band £130,000 - £140,000	1	-
	<u><u> </u></u>	<u><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 £1,181,515 (2024: £683,965).

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 Academy Trust 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.

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12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of service they provide undertaking the roles of Headteacher and staff under their respective 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 £130,000 - £135,000 (2024: £115,000 - £120,000), Employer pension contributions £35,000 - £40,000 (2024: £30,000 - £35,000).

During the year ended 31 August 2025, expenses totalling £1,223 were reimbursed or paid directly to 1 Trustee (2024 - £1,132 paid to 1 Trustee).

Other related party transactions involving the Trustees are set out in note 27.

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.

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14. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Furniture and fittings £	Computer equipment £	Motor vehicles £	Total £
COST						
At 1 September 2024	-	23,215,579	1,467,283	1,854,788	40,405	26,578,055
Additions	4,332,501	11,809,411	438,270	261,080	16,675	16,857,937
Disposals	-	-	(80,213)	(614,579)	-	(694,792)
At 31 August 2025	<u>4,332,501</u>	<u>35,024,990</u>	<u>1,825,340</u>	<u>1,501,289</u>	<u>57,080</u>	<u>42,741,200</u>
DEPRECIATION						
At 1 September 2024	-	2,632,236	951,074	1,761,801	30,227	5,375,338
Charge for the year	86,650	691,296	267,872	149,377	6,713	1,201,908
On disposals	-	-	(80,213)	(614,579)	-	(694,792)
At 31 August 2025	<u>86,650</u>	<u>3,323,532</u>	<u>1,138,733</u>	<u>1,296,599</u>	<u>36,940</u>	<u>5,882,454</u>
NET BOOK VALUE						
At 31 August 2025	<u>4,245,851</u>	<u>31,701,458</u>	<u>686,607</u>	<u>204,690</u>	<u>20,140</u>	<u>36,858,746</u>
At 31 August 2024	<u>-</u>	<u>20,583,343</u>	<u>516,209</u>	<u>92,987</u>	<u>10,178</u>	<u>21,202,717</u>

The Academy Trust's transactions relating to land and buildings included:

The taking up of a leasehold on Countess Wear Community School which was donated to the academy trust at a value of £4,607,923 over a term of 125 years.

The taking up of a leasehold on Clyst Heath Nursery & Community Primary School which was donated to the academy trust at a value of £5,730,452 over a term of 125 years.

The acquisition of the freehold on Marpool Primary School which was donated to the academy trust at a value of £4,332,501.

Refurbishment improvement works at a value of £1,306,750 on Countess Wear Community School, Clyst Heath Nursery & Community Primary School and Marpool Primary School.

The addition of new toilet facilities at a value of £156,831 at Broadclyst Community Primary School.

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

	2025 £	2024 £
Long-term leasehold land	<u>3,835,495</u>	<u>1,731,532</u>

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15. DEBTORS

	2025 £	2024 £
DUE WITHIN ONE YEAR		
Trade debtors	105,071	13,257
Other debtors	1,359	2,581
Prepayments and accrued income	3,167,069	681,184
VAT recoverable	189,047	303,581
	<u>3,462,546</u>	<u>1,000,603</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade creditors	940,713	720,905
Other taxation and social security	215,671	100,636
Other creditors	248,025	145,588
Accruals and deferred income	2,094,042	875,192
	<u>3,498,451</u>	<u>1,842,321</u>

	2025 £	2024 £
DEFERRED INCOME		
Deferred income at 1 September	301,487	319,599
Resources deferred during the year	447,360	301,487
Amounts released from previous periods	(301,487)	(319,599)
Deferred income at 31 August	<u>447,360</u>	<u>301,487</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance for lettings booked for the Autumn term 2025.

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NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Yeo Valley Reception Project	-	-	-	35,000	-	35,000
Marpool Resource Base Enhancement Project	-	-	-	55,000	-	55,000
	-	-	-	90,000	-	90,000
GENERAL FUNDS						
General funds	596,501	2,192,455	(2,249,256)	(90,000)	-	449,700
Unrestricted fixed asset fund	77,688	-	(1,498)	-	-	76,190
	674,189	2,192,455	(2,250,754)	(90,000)	-	525,890
TOTAL UNRESTRICTED FUNDS	674,189	2,192,455	(2,250,754)	-	-	615,890

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17. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	10,656,150	(9,957,213)	(698,937)	-	-
Pupil Premium	-	711,432	(711,432)	-	-	-
Universal Infant Free School Meals	-	273,779	(273,779)	-	-	-
CSBG/Mainstream Schools Additional Grant	-	366,939	(366,939)	-	-	-
West Somerset Reading Project	-	265,385	(265,385)	-	-	-
English Hub Grant	-	675,772	(675,772)	-	-	-
Trust Capacity Funding	100,000	-	(100,000)	-	-	-
Other DfE Grants	-	927,127	(927,127)	-	-	-
SEN and High Needs	-	749,485	(749,485)	-	-	-
Nursery Funding	-	1,493,512	(1,493,512)	-	-	-
Pension Reserve	-	(66,000)	240,000	-	(174,000)	-
	100,000	16,053,581	(15,280,644)	(698,937)	(174,000)	-

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17. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
RESTRICTED FIXED ASSET FUNDS						
Fixed Assets Transferred on Conversion and Donated Property	17,913,457	14,670,875	(685,922)	-	-	31,898,410
Academies Capital Maintenance Fund Grants	1,511,669	-	(37,176)	-	-	1,474,493
Fixed Assets Purchased From Local Authority Grants	153,697	-	(19,736)	-	-	133,961
Local Authority Grant for Community Classroom	345,326	-	(11,870)	-	-	333,456
Strategic School Improvement Capital Budget	-	2,614,186	(36,742)	-	-	2,577,444
Yeo Valley DCC Fund	-	100,000	(5,359)	-	-	94,641
Other Capital Grants	-	236,414	(1,767)	-	-	234,647
Devolved Formula Capital Grants	36,787	-	(1,344)	-	-	35,443
Fixed Assets Purchased From GAG and Other Restricted Funds	1,164,093	-	(400,495)	698,937	-	1,462,535
	<u>21,125,029</u>	<u>17,621,475</u>	<u>(1,200,411)</u>	<u>698,937</u>	<u>-</u>	<u>38,245,030</u>
TOTAL RESTRICTED FUNDS	<u>21,225,029</u>	<u>33,675,056</u>	<u>(16,481,055)</u>	<u>-</u>	<u>(174,000)</u>	<u>38,245,030</u>
TOTAL FUNDS	<u><u>21,899,218</u></u>	<u><u>35,867,511</u></u>	<u><u>(18,731,809)</u></u>	<u><u>-</u></u>	<u><u>(174,000)</u></u>	<u><u>38,860,920</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

17. STATEMENT OF FUNDS (CONTINUED)

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

Restricted Funds

General Annual Grant (GAG)

This fund includes income from the DFE 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.

Universal Infant Free School Meals

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

Core Schools Budget Grant (CSBG)

Additional funding received from the DFE.

Mainstream Schools Additional Grant (MSAG)

Additional funding received from the DFE.

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.

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.

Teachers Pay and Pension Grant

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

Trust Capacity Funding

Trust Capacity Funding is a grant available to help form and grow Trusts.

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.

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.

Pension Reserve

This fund represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme (LGPS). The pension scheme is currently in a surplus due to an excess of scheme assets over scheme liabilities. This surplus has been appropriately derecognised in the financial statements.

Conversion Support Grant

The Academy Conversion Support Grant is available to schools converting to academies to cover costs of conversion such as obtaining legal advice, the cost of software licence transfers, HR or TUPE advice, re-branding costs, and other expenses incurred.

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FOR THE YEAR ENDED 31 AUGUST 2025**

17. STATEMENT OF FUNDS (CONTINUED)

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.

COVID Additional Funding

The last of additional grants to support with expenditure relating to the COVID-19 pandemic.

Restricted Fixed Asset Funds

Fixed Assets Transferred on Conversion

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

Academies Capital Maintenance Fund Grants

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

Local Authority Grant for 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.

Strategic School Improvement Capital Budget Grant

This grant is offered in respect of approved eligible capital expenditure incurred in improvements for Marpool Primary School and Countess Wear Primary School.

Yeo Valley DCC Fund Grant

This grant is offered in respect of approved eligible capital expenditure incurred in improvements for Yeo Valley Primary School.

Devolved Formula Capital Grants

Grant from the DFE to be spent on capital related expenditure.

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.

Transfers In/Out - Transfers in the year are as follows:

Designated funds have been set aside for a Yeo Valley Reception Project and Marpool Resource Base Enhancement Project. The balances have been transferred from General funds.

GAG Funding has been used to purchase any additional assets not funded specifically by capital grants.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

17. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Capital Projects	184,395	-	-	(184,395)	-	-
GENERAL FUNDS						
General funds	115,850	1,620,640	(1,139,989)	-	-	596,501
Unrestricted fixed asset fund	121,791	-	(1,498)	(42,605)	-	77,688
	237,641	1,620,640	(1,141,487)	(42,605)	-	674,189
TOTAL UNRESTRICTED FUNDS	422,036	1,620,640	(1,141,487)	(227,000)	-	674,189

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

17. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	5,812,562	(5,634,492)	(178,070)	-	-
Pupil Premium	-	360,612	(360,612)	-	-	-
Universal Infant Free School Meals	-	229,295	(229,295)	-	-	-
CSBG/Mainstream Schools Additional Grant	-	194,180	(194,180)	-	-	-
West Somerset Reading Project	2,570	277,756	(280,326)	-	-	-
Conversion Support Grant	-	205,000	(205,000)	-	-	-
English Hub Grant	-	647,800	(647,800)	-	-	-
Global Enterprise Challenge	15,000	-	(15,000)	-	-	-
Teachers Pay and Pension Grant	60,068	141,202	(201,270)	-	-	-
Trust Capacity Funding	-	100,000	-	-	-	100,000
Accelerator Fund for English	-	176,000	(176,000)	-	-	-
Other DfE Grants	-	548,937	(548,937)	-	-	-
SEN and High Needs	-	164,118	(164,118)	-	-	-
Nursery Funding	-	1,074,430	(1,074,430)	-	-	-
COVID additional funding	-	47,087	(47,087)	-	-	-
Pension Reserve	(191,000)	-	161,000	-	30,000	-
	<u>(113,362)</u>	<u>9,978,979</u>	<u>(9,617,547)</u>	<u>(178,070)</u>	<u>30,000</u>	<u>100,000</u>

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
RESTRICTED FIXED ASSET FUNDS						
Fixed Assets						
Transferred on Conversion and Donated Property	11,800,005	-	(366,917)	188,636	-	11,621,724
Donated Property	6,317,320	-	(25,587)	-	-	6,291,733
Academies Capital Maintenance Fund Grants	1,540,694	-	(29,025)	-	-	1,511,669
Free school procurement grant	738,105	-	(64,018)	(674,087)	-	-
Fixed Assets Purchased From Local Authority Grants	173,907	-	(20,210)	-	-	153,697
Local Authority Grant for Community Classroom	250,000	-	(11,690)	107,016	-	345,326
Devolved Formula Capital Grants	113,667	31,465	(1,492)	(106,853)	-	36,787
Fixed Assets Purchased From GAG and Other Restricted Funds	482,098	-	(251,180)	933,175	-	1,164,093
Environmental Impact Grant	52,755	-	(9,938)	(42,817)	-	-
	<u>21,468,551</u>	<u>31,465</u>	<u>(780,057)</u>	<u>405,070</u>	<u>-</u>	<u>21,125,029</u>
TOTAL RESTRICTED FUNDS	<u>21,355,189</u>	<u>10,010,444</u>	<u>(10,397,604)</u>	<u>227,000</u>	<u>30,000</u>	<u>21,225,029</u>
TOTAL FUNDS	<u>21,777,225</u>	<u>11,631,084</u>	<u>(11,539,091)</u>	<u>-</u>	<u>30,000</u>	<u>21,899,218</u>

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

17. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by Academy

Fund balances at 31 August 2025 were allocated as follows:

	2025 £	2024 £
Cornerstone Academy Trust	615,890	774,189
Restricted fixed asset fund	38,245,030	21,125,029
TOTAL	38,860,920	21,899,218

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 2025 £	Total 2024 £
Broadclyst Community Primary School	-	-	-	21,082	21,082	19,037
Westclyst School	-	-	-	29,348	29,348	23,093
Yeo Valley Primary School	-	-	-	9,168	9,168	11,782
Monkerton Community Primary School	-	-	-	26,510	26,510	14,766
Marpool Primary School	-	-	-	19,252	19,252	-
Clyst Heath Community Primary School	-	-	-	20,662	20,662	-
Countess Wear Primary School	-	-	-	12,400	12,400	-
Central services	10,534,220	2,429,748	1,975,341	2,452,170	17,391,479	10,688,858
ACADEMY TRUST	10,534,220	2,429,748	1,975,341	2,590,592	17,529,901	10,757,536

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted fixed asset funds 2025 £	Total funds 2025 £
Tangible fixed assets	76,190	-	36,782,556	36,858,746
Current assets	539,700	3,498,451	1,462,474	5,500,625
Creditors due within one year	-	(3,498,451)	-	(3,498,451)
TOTAL	615,890	-	38,245,030	38,860,920

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted fixed asset funds 2024 £	Total funds 2024 £
Tangible fixed assets	77,688	-	21,125,029	21,202,717
Current assets	596,501	1,942,321	-	2,538,822
Creditors due within one year	-	(1,842,321)	-	(1,842,321)
TOTAL	674,189	100,000	21,125,029	21,899,218

For the prior year, Current assets and Creditors due within one year have been reallocated from Unrestricted Funds to Restricted Funds on the basis that the majority of the Trust's activities are funded by Restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

19. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025	2024
	£	£
Net income for the year (as per Statement of Financial Activities)	17,135,702	91,993
	<hr/>	<hr/>
ADJUSTMENTS FOR:		
Depreciation	507,116	781,555
Capital grants from DfE and other capital income	(2,950,600)	(31,465)
Interest receivable	(195)	(165)
Defined benefit pension scheme obligation inherited	(86,000)	-
Defined benefit pension scheme cost less contributions payable	(240,000)	(160,000)
Defined benefit pension scheme finance cost	66,000	(1,000)
Increase in debtors	(243,519)	(93,960)
Increase in creditors	271,805	444,957
Assets transferred from local authority	(14,694,146)	-
	<hr/>	<hr/>
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	(233,837)	1,031,915
	<hr/> <hr/>	<hr/> <hr/>

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

20. CASH FLOWS FROM INVESTING ACTIVITIES

	2025 £	2024 £
Interest received	195	165
Purchase of tangible fixed assets	(107,945)	(774,579)
Capital grants from DfE group and local authority	732,176	31,465
Cash acquired on transfer of schools from local authority	109,271	-
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	733,697	(742,949)

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £	2024 £
Cash in hand and at bank	2,038,079	1,538,219

22. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash at bank and in hand	1,538,219	499,860	2,038,079

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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23. CONVERSION TO AN ACADEMY TRUST

On 1st September 2024 Countess Wear Community School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Cornerstone Academy Trust from Devon County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Leasehold land and buildings	-	-	4,607,923	4,607,923
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	36,424	-	-	36,424
CURRENT LIABILITIES				
LGPS pension surplus/(deficit)	-	(36,000)	-	(36,000)
NET ASSETS/(LIABILITIES)	<u>36,424</u>	<u>(36,000)</u>	<u>4,607,923</u>	<u>4,608,347</u>

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

23. CONVERSION TO AN ACADEMY TRUST (CONTINUED)

On 1st September 2024 Clyst Heath Nursery & Community Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Cornerstone Academy Trust from Devon County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Leasehold land and buildings	-	-	5,730,452	5,730,452
CURRENT ASSETS				
Cash - representing budget surplus on other school funds	36,424	-	-	36,424
CURRENT LIABILITIES				
LGPS pension surplus/(deficit)	-	(45,000)	-	(45,000)
NET ASSETS/(LIABILITIES)	<u>36,424</u>	<u>(45,000)</u>	<u>5,730,452</u>	<u>5,721,876</u>

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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23. CONVERSION TO AN ACADEMY TRUST (CONTINUED)

On 1st September 2024 Marpool Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Cornerstone Academy Trust from Devon County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Freehold land and buildings	-	-	4,332,501	4,332,501
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	36,423	-	-	36,423
CURRENT LIABILITIES				
LGPS pension surplus/(deficit)	-	(5,000)	-	(5,000)
NET ASSETS/(LIABILITIES)	<u>36,423</u>	<u>(5,000)</u>	<u>4,332,501</u>	<u>4,363,924</u>

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

24. 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 2022.

Contributions amounting to £245,952 were payable to the schemes at 31 August 2025 (2024 - £144,347) 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.

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 ensure scheme costs are recognised and managed appropriately and the review specifies 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 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employers' contributions and the cost control result is such that no change in member benefits is needed.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation was implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £1,429,727 (2024 - £699,991).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<http://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Academy Trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme assets as if it were a defined contribution scheme. The Academy Trust has set out above, the information available on the scheme.

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**NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (CONTINUED)

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 2025 was £1,133,000 (2024 - £697,000), of which employer's contributions totalled £902,000 (2024 - £555,000) and employees' contributions totalled £231,000 (2024 - £142,000). The agreed contribution rates for future years are 19.6 per cent for employers and 5.5 - 12.5% per cent for employees.

As described in note 23 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2025	2024
	%	%
Rate of increase in salaries	3.55	3.8
Rate of increase for pensions in payment/inflation	2.55	2.8
Discount rate for scheme liabilities	6.10	5.1
Inflation assumption (CPI)	2.55	2.8

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

	2025	2024
	Years	Years
RETIRING TODAY		
Males	21.3	21.4
Females	24.0	22.7
RETIRING IN 20 YEARS		
Males	22.9	22.7
Females	25.7	24.1

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (CONTINUED)

SENSITIVITY ANALYSIS

	2025	2024
	£000	£000
Discount rate +0.1%	(128)	(110)
Discount rate -0.1%	132	114
Mortality assumption - 1 year increase	135	127
Mortality assumption - 1 year decrease	(133)	(123)
CPI rate +0.1%	129	111
CPI rate -0.1%	(125)	(107)

SHARE OF SCHEME ASSETS

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

	At	At
	31 August	31 August
	2025	2024
	£	£
Equities	4,553,000	2,778,000
Gilts	348,000	-
Corporate bonds	1,996,000	1,178,000
Property	667,000	376,000
Cash and other liquid assets	230,000	128,000
Target return portfolio	-	118,000
Infrastructure and alternative assets	854,000	531,000
TOTAL MARKET VALUE OF ASSETS	8,648,000	5,109,000

The actual return on scheme assets was £567,000 (2024 - £519,000).

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

	2025	2024
	£	£
Current service cost	(748,000)	(395,000)
Interest income	382,000	223,000
Interest cost	(358,000)	(222,000)
Administrative expenses	(4,000)	-
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(728,000)	(394,000)

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (CONTINUED)

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

	2025 £	2024 £
AT 1 SEPTEMBER	4,988,000	4,132,000
Transferred in on existing academies joining the trust	1,922,000	-
Interest cost	358,000	222,000
Employee contributions	231,000	142,000
Actuarial (gains)/losses	(1,746,000)	142,000
Benefits paid net of transfers in	7,000	(45,000)
Current service cost	662,000	395,000
AT 31 AUGUST	6,422,000	4,988,000

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

	2025 £	2024 £
AT 1 SEPTEMBER	5,109,000	3,941,000
Transferred in on existing academies joining the trust	1,836,000	-
Interest income	382,000	226,000
Actuarial gains	185,000	293,000
Employer contributions	902,000	555,000
Employee contributions	231,000	142,000
Benefits paid	7,000	(45,000)
Administration expenses	(4,000)	(3,000)
AT 31 AUGUST	8,648,000	5,109,000

The Academy Trust has an unrecognised surplus of £2,226,000 (2024 - unrecognised surplus of £121,000) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

25. OPERATING LEASE COMMITMENTS

At 31 August 2025 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025	2024
	£	£
Not later than 1 year	405,178	397,591
Later than 1 year and not later than 5 years	1,742,769	1,745,575
	<u>2,147,947</u>	<u>2,143,166</u>

26. 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.

**CORNERSTONE ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

27. 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 Department for Education 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.

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.

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.

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

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

The value of the related party transactions were: Mrs J Bishop: Remuneration £25,000 - £30,000 (2024: £20,000 - £25,000), Employer pension contributions £5,000 - £10,000 (2024: £0 - £5,000), Mr B Bishop: Remuneration £30,000 - £35,000 (2024: £25,000 - £30,000), Employer pension contributions £5,000 - £10,000 (2024: £5,000 - £10,000), Mrs L Hall: Remuneration £5,000 - £10,000 (2024: £0,000 - £5,000), Employer pension contributions £5,000 - £10,000 (2024: £0 - £5,000), Mrs H James: Remuneration £40,000 - £45,000 (2024: £Nil), Employer pension contributions £10,000 - £15,000 (2024: £Nil), Mr M Rothery: Remuneration £15,000 - £20,000 (2024: £Nil), Employer pension contributions £Nil (2024: £Nil).