

Company Number: 07550474

**CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**Annual Report and Financial Statements
For The Year Ended 31 August 2023**

**CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

Members	Mrs A Aston Ms L Hudson (Resigned 12 th June 2023) Mr W McCreath Ms L Moore (Resigned 21 st July 2023) Mr D Newton (Resigned 23 rd October 2023) Mr W Parker
Trustees	Mrs A Aston, Chair ^{1,2,3} Mr M Pauling, Headteacher ^{1,2,3} Mrs H Little ^{1,2,3} (Appointed 2 nd October 2023) Ms L Hudson ² (Resigned 12 th June 2023) Mrs K Milne ² (Appointed 2 nd October 2023) Mr R Illesley ^{1,3} (Resigned 11 th September 2023) Mr W McCreath ^{1,3} (Resigned 23 rd October 2023) Ms L Moore ^{1,3} (Resigned 21 st July 2023) Mr D Newton ² (Resigned 23 rd October 2023) Mr W Parker ¹ Mrs N Kessell ² Mr D Clark ² Mr D Stephens ¹ (Resigned 5 th July 2023) Miss L Comer ² Mrs A Selwyn ¹ (Appointed 31 st July 2023) ¹ Resources & Community Committee ² Learning & Outcomes Committee ³ Audit & Risk Committee
Company registered number	07550474
Company name	Chosen Hill School
Principal and registered office	Brookfield Road Churchdown Gloucester Gloucestershire GL3 2PL
Company secretary	Mrs D Wardlaw (Resigned 31 st August 2023) Mrs D Duerden (Appointed 31 st August 2023)
Accounting Officer	Mr M Pauling

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

Senior Leadership Team Mr M Pauling, Headteacher
Mr J Bardgett, Deputy Headteacher
Mr W Witham, Deputy Headteacher
Mrs K Chodera, Assistant Headteacher
Mrs E Hanwell, Assistant Headteacher
Mrs J Henry, Acting Assistant Headteacher
Mrs D Wardlaw, Business Manager

Independent auditors Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
Gloucestershire
GL51 0UX

Bankers Virgin Money
215 High Street
Cheltenham
GL50 3HH

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

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

The Trust operates an Academy for pupils aged 11 to 19 in Gloucester. It has a pupil capacity of 1,140 and 250 in the Sixth Form and had a roll of 1,324 (2022 – 1,342) in the school census in October 2023 with 1,126 (2022 – 1,117) in Years 7-11 and with 198 (2022 – 225) in the Sixth Form.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy 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.

The Trustees of Chosen Hill School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Chosen Hill School.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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 they ceased to be a member.

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 £10,000,000 on any one claim.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

On 1 April 2011 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 9 Trustees who are appointed by the members
- up to 7 Parent Trustees who are elected by parents of registered pupils at the Academy
- up to 3 Staff Trustees elected by staff members
- the Headteacher

Trustees are appointed for a four year period, except that this time limit does not apply to the 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 Academy's development.

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

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy 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. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 3 committees as follows:

- Resources and Community Committee - this meets at least five times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance, regulatory requirements and reporting and drafting the annual budget including setting staffing levels. It also deals with admissions, communication and pastoral issues.
- Learning and Outcomes Committee - This meets at least four times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, target setting and assessment, examinations and student outcomes.
- Audit and Risk Committee - This committee will review the annual report and accounts, review the audit plan, assess the effectiveness of the auditors and review and monitor the risk register.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Strategic School Improvement Plan and budget.

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

The Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteachers and Assistant Headteachers and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Academy has a leadership structure which consists of the Trustees, The Senior Leadership Team and Middle Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Headteacher, Business Manager and Resources and Community Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff. Trustees are part of the interview panel on all senior posts.

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

The Head Teacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees and the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees (other than staff Trustees for their roles as members of staff) give their time freely and no Trustee received remuneration in the year.

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

The pay of key management personnel is reviewed annually and benchmarked against school teachers' pay and conditions recommendations.

The Trustees benchmark the remuneration of all members of staff against the school teachers' pay and conditions recommendations.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	1.8

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1%-50%	2
51%-99%	
100%	

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£260
Provide the total pay bill	£6.211K
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.00%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	33%
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**TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2023**

Connected Organisations, including Related Party Relationships

Chosen Hill School is a member of the G15 Partnership of 12 secondary schools which link and work together to see standards of achievement rise across all G15 schools through pooling of collective expertise and championing the success of students.

Chosen Hill School has links to the Former Pupils Rugby Club and leases some of its playing fields to the club for rugby and sports activities. The Rugby Club have use of the playing fields and the school has use of the changing rooms based on the site of the rugby club during the school day.

Chosen Hill has a contract for IT services with Churchdown School. IT skills are shared across both schools. There are no other related parties which either control or significantly influence the decisions and operations of Chosen Hill School.

The school has a Parent Teacher Association which raises funds for the school but is a separate entity from the School.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit, education in the United Kingdom; in particular, by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on enabling all students to achieve success whatever their starting points.

The principal object and activity of the Charitable Company is the operation of Chosen Hill School is to provide free education and care for pupils of different abilities.

The aims of the Academy during the year ended 31 August 2023 are summarised below:

- to continue to raise the standard of educational progress, attainment and achievement of all pupils from all starting points.
- to provide a broad and balanced curriculum, including a wide range of extra curricular activities.
- to develop students as more effective learners with a growth mindset and recognition of the benefits of metacognition.
- to develop the Academy site so that it enables students to achieve their full potential.
- to ensure that every student enjoys the same high quality education in terms of resourcing, tuition and care.
- to continue to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review, in particular responding to the challenges presented by the Covid 19 legacy.
- to maximise the number of students achieving in line with their targets set from their starting points, including grade 5 or above in English and Maths.
- to provide value for money for the funds expended.
- To continue to develop greater coherence, clarity and effectiveness in Academy systems.
- To comply with all appropriate statutory and curriculum requirements.
- To further develop the Academy's capacity to manage change and operate with financial efficiency.
- To maintain close links with business, industry and commerce, and
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

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

At Chosen Hill School we aim to enable all children to achieve success in its many different forms. We intend to enable each child to realise his or her full academic, personal, social, creative and physical potential and to develop in students' positive social, moral, spiritual and cultural values. Our Academy is a community in which children, staff and parents should be part of a dynamic, happy and caring environment.

Objectives, Strategies and Activities

Key priorities for the year are contained in our school's Strategic Improvement Plan and summarised in the overview document which is available on the school Sharepoint or via the Clerk to the Governors. Improvement focuses identified for this year included:

- Implementation of a thorough Curriculum evaluation requiring adjustments to the seven year curriculum model to reflect the impact of Covid 19 and disruption to students' learning, including moving back to a three year KS3. Whilst the longer term five year curriculum plan continued to be refined, it has also been re-evaluated regularly in the light of lost learning during this unprecedented period;
- To refine the school's inclusion arrangements in line with changes to funding for SEND and in response to the behavioural, mental health and emotional well-being needs resulting from the previous periods of school closure and the escalating requests for statutory assessment again further exacerbated by an extended recovery from the national lockdown and subsequent impact on developmental needs of students;
- To roll out refinements to the school's assessment, reporting and recording arrangements based on ambitious FFT20 target setting and the school's focus on student learning mindsets: attitude to learning (ATL) and attitude to homework (ATH) including changes to reporting and the movement on online parents' evenings;
- To respond to the opportunities provided by digital technologies to maintain high quality teaching and learning through investment in IT network and infrastructure;
- To continue to embed the school's core values around the WATCH words, focussing on developing community understanding and expectations of successful learning;
- To refine and implement the CHS Blueprint to further enhance the school's focus on Quality First Teaching and removing barriers to learning for all students – the focus of activity around this priority was adjusted to reflect the six, school wide Teaching and Learning principles (supported by Walk-Thrus resource and training).
- To sustain the school's work on supporting student and staff mental health and well-being;
- To play a key role in the continued development of the G15 City of Gloucester secondary school cluster;
- To develop strong and effective links with community partner schools and explore the opportunities around more formal and progressive links (including the Multi Academy Trust model).

Key activities and targets were identified in the school's Strategic Improvement Plan (outlined below) and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding, in particular the changing needs of the cohort, as well as the school's own evaluation needs and to achieve educational benefits for the current students of Chosen Hill School.

The activities included:

- Review of curriculum delivery to ensure the effectiveness of the roll out of the new curriculum model, evaluation of its impact on the curriculum offer and further planning refinement for September 2023.

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2023

- The required focus on student literacy development to build confidence and enable access for all to the public examination courses and wider curriculum offer;
- Ongoing development of the school's IT infrastructure and IT strategic development in partnership with the school's new IT managed service provider, addressing previous challenges with the network and servers;
- Further development and embedding of key systemic, financial and administrative arrangements and procedures arising from the established review and evaluation cycle of all policy/protocols, practice and functions at the school;
- Continued refinement of all school systems for assessing, tracking and responding to student progress and outcomes data and its deployment in the preparation and delivery of externally sat summer examinations at GCSE and A level;
- Continued development and reinforcement of systems, procedures and activities to promote student voice and participation, the House system and community ethos of the school through an updated Website and in-school offer;
- Continued development of the Sixth Form curriculum and enrichment provision, alongside creating a Sixth Form study centre, to maintain increased retention and improve outcomes for students from all starting points.

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 Commission'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.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the community.

STRATEGIC REPORT

Achievements and Performance

The Academy is in its twelfth year of operation.

'Behaviour for learning is good. Pupils respond well in class and they approach their learning with obvious enthusiasm.'

'Pupils with additional needs are well supported and leaders work hard to ensure that they are fully integrated into the life of the school.'

'Teachers demonstrate high expectations and provide detailed feedback to pupils about their work. This enables pupils to review their learning and improve their understanding.'

'Leaders at all levels in the school have a very clear understanding of the school's strengths and areas for further development. The positive impact of the actions they have taken can be seen in the progress of current pupils.'

Ofsted, November 2018

The re-establishment of 'normal school expectations' following the COVID-19 pandemic has continued to have a major impact on the way the school runs. Levels of absence from both staff and pupils have been difficult to manage and has impacted on the school KPIs.

The impact of the last few years, from a mental health point of view for both Staff and Pupils has resulted in a large increase on the demand for support functions such as counselling, absence and welfare. Staff and pupil absence has been high over the year due to a combination of illnesses, teacher strikes and changes to parental work habits and expectations. This has resulted in increased costs for supply and additional staff to support pupils in school.

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

The school continues to work to secure good or better outcomes for all students from all their different starting points, focusing on student mindsets, Quality First Teaching and the removal of barriers to learning. This is particularly evident in the performance of students with SEND including EHCP.

The school has identified the following indicators of success against its strategic School Improvement Plan priorities:

1. Curriculum Intent

- Our ambitious curriculum succeeds in giving all learners the skills and detailed knowledge to achieve well - with a particular focus on years 7-9 and Key Stage 5 supporting the most disadvantaged, SEND learners and HSP boys. There is also an improved approach to planning at key transition stages. This builds a sense of pride for all new starters.
- Our schemes of learning result in learners being able to remember in the long term the content they have been taught and integrate new knowledge into deeper concepts. Homework provision also supports learners by encouraging retrieval of content.
- Our KS3 offer is excellent and the mastery curriculum in English and Maths in Years 7-11 leads to all groups of learners achieving above national expectations and ensures no child is left behind.
- Our curriculum is rigorous, well sequenced and word rich with a strong focus on developing subject specific vocabulary. Students are word confident.
- Our ambitious approach to the teaching of reading develops learners' confidence and enjoyment in reading resulting in learners reading often, widely and with fluency and comprehension. This also builds cultural capital.
- Our approaches to the teaching of writing develop learner's metacognition and confidence.
- Our ambitious and exceptional curriculum gives all learners opportunities to be physically active, involved in the arts and supports them in their understanding of healthy relationships. All students are equipped with taught wider skills, experiences and opportunities to develop confidence and positive learning habits across the curriculum.
- Our curriculum supports transition across all areas of provision to enable learning to be continuous and impactful

2. The Quality of Teaching and Learning:

- Our core teaching principles are embedded across the school. Quality First Teaching results in subject matter being communicated clearly and effectively. Our literacy expertise is developed.
- Embed a CHS lesson blueprint to support greater consistency.
- Our classrooms also offer a disruption free learning environment.
- More students thinking and having their knowledge checked. More Tier 2 and 3 words explained and used.
- Our AMF Principles are embedded across the school resulting in students receiving effective feedback that is actionable. This leads to improved student outcomes.
- All feedback is actionable.
- Our Middle Leaders lead with confidence so that subject teachers develop subject expertise and pedagogy. They effectively monitor and evaluate teaching practice.

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

- Our CPD model is impactful at all levels: whole school, MLs, early career, support staff.
- Instructional coaching supports teachers in the classroom. Leaderships coaching supports middle leaders to manage teams.
- CPD is impactful and tracked through relevant and appropriate metrics.

3. Behaviour and Attitudes

- Our Disruption Free Learning policy ensures low-level disruption is minimised and pupils develop positive behaviour and attitudes. There is regular communication with staff, students, and parents to ensure the policy is understood by all stakeholders.
- Our Pastoral Leaders lead with energy confidence so that pastoral systems and interventions support our students.
- Pastoral Leaders lead with confidence.
- Our strong focus on attendance and punctuality in which staff apply attendance policies consistently. The whole school target for attendance is 96%.
- Our T & L Principles blueprint supports consistent practice, creating a climate of high challenge in lessons. Our behaviour intervention systems support consistent routines and expectations around behaviour, culture and relationships. This also contributes to teacher wellbeing.
- There is clarity around academic and personal achievements, and this is communicated effectively to pupils and parents. Students are rewarded consistently and fairly leading to high engagement.
- Uniform reflects our values and high standards – students take pride in the school.

4. Personal Development

- Positive relationships between Staff, Parents and Students are evident and are modelled consistently.
- Our strong wellbeing culture with a focus on mental and physical health supports students to be resilient, independent, and positive.
- Our strong wellbeing culture results in a positive staff culture and a high level of trust.
- Staff feel empowered in their work, supported personally and professionally.
- Our student leadership groups play a sustained and significant role within school development.
- Our House System engages all students and staff, giving a sense of belonging, encouragement, and pride in collaborative achievement.
- Our enrichment programme provides learners with a broad development, which extends beyond their academic studies, enabling them to develop and discover their interests and talents.
- Our offer is extensively promoted to students with an expectation that all engage with at least one activity. This results in an increase in participation.
- Six out of eight of Gatsby Benchmarks met, and our practice is seen as a strength.
- To embed the Unifrog Platform in order to track and monitor the student destination journey.

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

5. Leadership

- Our core values championed by SLT and are widely promoted by all leaders within the school.
- Our safeguarding culture ensures policies are widely understood and acted upon leading to a strong culture of safeguarding.
- Our improving appraisal processes support individual professional development and school improvement.
- Building stronger local community links and understanding of the school vision: leading to increased confidence and strong ambition.
- Building stronger and proactive school governance.
- The school's curriculum, target setting and assessment arrangements and focus on student learning dispositions and effective pedagogy aims to ensure that students in all year groups across the curriculum make substantial and sustained progress whilst in school.

6. Quality of Sixth Form Provision:

The sixth form has been a key area of focus for the school – and continues to be so for the next academic year. The priorities for this year are on the following areas;

a) Curriculum Intent

This year we conducted a KS5 Quality Assurance Day (with contribution from two local Secondary schools) in order to identify our strengths and areas for improvement. We continue to collaborate with other local schools. We then contributed to whole school CPD to action the findings. Alongside this, we have developed the Assistant Director – Curriculum role to include regular meetings with Heads of Faculties/Heads of Department to discuss student progress and outcomes. We created specific curriculum time (4 hours) for extension subjects to raise the profile and recruit in these areas. We have also conducted a review of our entry requirements to ensure they are adhered to, and that students are on the right pathways.

Over the next academic year, we will have a continued focus on QA of Sixth Form T&L and develop literacy expertise across KS5 in line with School Improvement in this area. We will increase teaching time to 9 hours per subject. We will ensure more students take an extension subject to enhance their applications post 18. We continue to review our Curriculum offer in light of AAQs being introduced 2025 onwards.

b) Aspirations, Personal Development and Independence

This academic year, we incorporated Core Skills into our Learning Mentor Programme by dedicating two sessions per week to it. We have designed a PSHE programme to meet the requirements of the students and the guidelines for PSHE KS5. Post-pandemic, we have started to invite external speakers back into school including Barclays Bank, First Aid Provider and Gloucestershire Constabulary (Boost Training).

Our Directed Study Programme ensures that each student has a minimum of 2 hours of Directed Study per subject over the cycle. These sessions are supervised by our Study Manager, where tasks are provided by Subject Staff. We have reviewed our Attitude to Independent Study criteria in order to improve consistency and accuracy of reporting. Our Year 12 Cohort has 91.6% attendance which is second best in the school behind Year 7. We have improved our punctuality this year in line with the whole school protocol. Our student leadership programme is established and effective. We have developed the interview process for positions and increased the opportunities within student leadership by giving International Dimensions students leadership status and re-branding of Student Council Positions. All roles have been developed and have a more regular and wider impact school-wide. Through our whole school Careers Lead and dedicated KS5 Futures lead, our Destinations and Careers IAG is a strength.

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2023

Self-Directed study continues to be an area of focus for us in order to develop independence within our students. We currently provide a study station and we intend to provide an increasingly developed suite of resources as we develop our new space. We will launch Unifrog next academic year in order to facilitate a higher level of independence and further foster high aspirations.

Attendance continues to be a focus for us (and nationwide) post-pandemic. Alongside our school priority to improve punctuality, we expect to see continued improvement in these areas as a result of consistent application of whole school policy. Our PSHE programme continues to be developed and complemented by a series of assemblies to underpin our community actions.

c) Improved KS5 Outcomes

This continues to be an area of focus for us post Covid. The establishment of a substantive Assistant Director of Sixth Form with a specific focus on Curriculum Standards and student progress has meant that we have started to review our Assessment Processes, Monitoring of students using 4Matrix and establishing useful tracking and intervention.

Next year, we will use FFT to set aspirational targets with the intention of raising our Average Point Score to C+ or more at A Level and Merit+ or more in our vocational courses. We will set a two year assessment cycle which will allow for timely assessment of student progress and actions required. The intention is to develop an effective MER process that is both central and department driven.

d) Recruitment and retention (7-13 pathway)

We had 210 applications for Sept 2023 and although this did not result in higher numbers in year 12, this is because we have been more selective in the students we have offered places to. We have attended several external recruitments events and have been encouraged by new applications from different schools including Gloucester Academy and out of county. We retained circa 42% of our Year 11 cohort for 2023 and expect that to increase this next academic year.

We have retained 93% of our Year 12 cohort into 2023, an increase of 8% from last year. This is due to robust entry requirements and therefore more students being on the right courses.

7. The school continues to develop a 21st century school environment which is safe and fit for purpose

During this year we have continued to invest in our facilities, including moving the library downstairs so it is accessible for all our students. Creating a sixth form study area to support the improvement around self-directed study time by providing a suitable study environment.

We have invested in IT with a change of Wi-Fi around the school, new computer suites, servers and switches. The maths department has moved away from whiteboards and has a suite of interactive TVs to deliver lessons.

We have refurbished three more toilet areas across the school and upgraded lighting to LED energy efficient lights.

We have plans to remove four time-expired classrooms to ensure that all our teaching facilities are suitable and fit for purpose.

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2023

School Public Examination Results Summer 2023

GCSE Results:	
Attainment 8	46.27
% English and Maths (Grade 4+)	65%
Progress 8	-0.15 (2022)
A Level Results:	
Value added:	Not applicable for 2023
A* A	5.6%
A* B	22.41%
A* E	50.43%
BTEC Level 3:	
Dist*	4%
Dist*/D	20%

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention - the amount of GAG carry forward is 2% (2022 – 2%).

As funding is based on pupil numbers, this is also a key performance indicator. Pupil numbers for 2023 are 1126 (2022 – 1,117) in years 7-11 and 198 (2022 – 225) in the Sixth Form. Numbers at Key Stage 3 and 4 have remained fairly consistent from previous years however, 6th form numbers have dropped this year to due ensuring the right pupils are on the right courses.

Another key financial performance indicator is staffing costs (excluding actuarial pension adjustments) as a percentage of GAG. For 2022-23 this was 88% (2021/22 - 90%). Staffing costs have been difficult to manage this year with numerous vacancies both teaching and non and the increased use of supply staff due to absence.

Going Concern

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

FINANCIAL REVIEW

Financial Review

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

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

During the year ended 31 August 2023, the Academy realised total income of £8,889,602 (2022- £8,006,103) and incurred total expenditure of £9,019,824 (2022 - £8,339,598). The excess of expenditure over income for the year was £130,222 (2022 –£333,495).

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

Income from lettings were much higher than previous years at £60,600. This is due to the purchase of a lettings management software, which allows users to book and pay for facilities hire in advance. We are hoping to further increase the hire of facilities through the coming year.

We have benefitted this year by the increase in interest rates, which has generated £78,700 in income (2022 - £6,400).

This year we budgeted to spend some reserves on premises improvements. Due to the uncertainty around increases to teachers and support staff salaries, we put some of this spend on hold in case it had to be used for additional salary costs. This uncertainty has meant that the budgeted deficit for the year has not materialised and we have an overall surplus, excluding depreciation. We are still overspending on the cost of supply due to COVID and other illness in both teaching and non-teaching staff. It has continued to be difficult to find supply and recruit new staff.

We undertook refurbishments to our library and sixth form areas and continued to invest in IT across the school.

During the year we renewed our Gas supply contract and we chose to join a bundle agreement to try and limit our exposure to changes in energy costs. The cost of gas to the academy increased from £22,800 to £65,500. We are hoping that our gas bills will be reduced by the changes made to our heating and hot water systems during the last year. Our electricity was still in a fixed term agreement so has not been affected this year. The agreement ends in October 2023 and we have joined a bundle agreement for that supply also.

The Academy completed roofing and heating works from a CIF bid received in 2021. We submitted bids for time-expired classrooms and replacement windows. We were not successful with either of those bids although are still awaiting the results of an appeal submitted for the classrooms. These bids will be resubmitted in 2023.

We received funding of £51,464 from the DofE for energy efficiency improvements which we used to fund replacement of lights to LED. Most of the school now has LED lighting and we will change the remainder of the lights over the next year.

The new contract for catering started during the year and has resulted in improvements to the quality and variety of food delivered to students and staff. Feedback has been very good and we are continuing to work with them to make further improvements and increase sales.

At 31 August 2023 the net book value of fixed assets was £17,120,406 (2022 - £17,203,940) and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy. The fixed asset register was reviewed and assets removed.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Competitive tendering, Trustees Expenses, Pay Policies, lettings protocol, Anti-fraud and bribery and Whistleblowing.

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 reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

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

The Trustees of Chosen Hill School operate a reserves policy that aims to maintain an end of financial year surplus balance of approximately £560,000. This is based on the following:

1 month's salaries	£480k
Contingencies	£30k
Designated for Capital projects	£50k
Total	£560k

During the year, the trustees budgeted to spend some free reserves on premises improvements and set a deficit budget for the year. Following the uncertainty around staff pay awards, the improvement plan was revisited and some areas removed in order to cover any salary increases. The uncertainty around teachers pay was not finalised until August and there was no impact to this current year. Support staff salaries were finalised in November 2023.

As at 31 August 2023, the School held a reserves total of £18,253,621 of which £472,626 is free reserves.

The defined benefit pension scheme reserve has previously been 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 has been eliminated to Nil in 2023, there has been no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. During the year the Trustees held funds in a deposit account operated by CCLA. Interest rates have increased significantly over the last financial year and so interest earned has grown significantly. Interest received was £78,700 compared to £6,400 in 2021-22 and less than £100 in 2020-21.

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 are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 97% of the Academy's incoming resources were ultimately Government funded. The vast majority of the schools funding is used for salaries and this year has been one of uncertainty around pay increases for staff, both teachers and support. We have been reluctant to use the money we had put aside for premises improvements due to the pay uncertainty, both for this year and future years.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy'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. There have been a number of changes to Governors with terms ending at the end of 2023 and the board is actively recruiting new Governors with suitable skills and experience.

Premises - one of the major risks affecting the Academy at the moment is the risk of closure due to the age and condition of some of its infrastructure. We have changed pipework, heating and roofing in the last couple of years, which has greatly reduced our risk of closure due to those risks, however the school still has many areas of weak infrastructure, including windows, toilets and time expired temporary classrooms that need replacing. We will continue to bid for CIF funding and use our reserves to address these issues.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2023

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 Academy 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. Staff absence has continued to be higher than usual this year, due to the ongoing Corona virus and the pressures on staff recruitment and replacement. The recruitment of new staff continues to be difficult, both for teaching and support staff. Wellbeing of all staff and pupils will continue to be a top priority for the next academic year.

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

Considerable investment has been made in IT infrastructure again this year, with over 210 computers replaced, new interactive TVs in maths, and professional services bought in to improve the network. IT support bought in by working with another school has been a great improvement in the year.

The Academy 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. This has been discussed by Trustees and includes the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually by the Audit and Risk Committee.

We have purchased a new software package that links our policies, issues and activities across the school with our risks, giving a clear indication that where a risk is mitigated by a particular action, that if that action has not happened as it should, then the risk is increased. This will be implemented across the next academic year and will help ensure that trustees can see that the estate is being appropriately maintained and managed in line with regulations.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. The Trustees have set a deficit budget for 2023/24 mainly due to pay uncertainty, both for the academic year 2022/23 and the year 2023/24.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Resources and Community Committee meetings. The Trustees also ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity. The Academy has increased its borrowing from the ESFA in the form of CIF and Salix loans to cover its contributions to the CIF funded projects it has undertaken. The amount of loans for CIF funding totals £197,630 which is 2.6% of GAG funding.

The pension reserve, which is set out in note 24 to the financial statements shows a net surplus of £137k at 31 August 2023 (2022: net liability of £778k). As Chosen Hill School has no unconditional right to a refund from the LGPS, the value of the surplus that can be recognised as an asset is limited to the "asset ceiling". This is the present value of any benefit in the form of reductions in future contributions. The actuarial report calculates our asset ceiling as £137k, bringing the year end balance to £0.

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

FUNDRAISING

During this year, fundraising activities have been few following the pandemic. Funds raised by the PTA were used towards the purchase of a new laser cutting machine in DART. Pupils raised £1,600 through dress down days and fayres for charities including Young Minds, Cancer Research and Superheros.

The Trustees are committed to ensuring that fundraising activities are carried out in an ethical manner. In doing so, the Academy will adhere to the Charities Commission publication 'Charity Fundraising' (CC20) and will comply with all relevant laws. Complaints will be dealt with in accordance with the Academy's usual procedures.

PLANS FOR FUTURE PERIODS

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

The Academy will continue to work with partner schools, the local community and employers to improve the educational opportunities for students in the wider community.

The Academy will aim to increase revenue from external sources by increasing the letting of facilities and also from fundraising through the PTA and other sources where possible.

Full details of our plans for the future are given in our Academy Strategic School Improvement Plan, which is available from the Clerk to the Trustees.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The school holds funds on behalf of the Friends of Chosen Hill School. These funds are held separately, are not used by the School unless a donation is received and do not form part of the Financial Statements.

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

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, Hazlewoods LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 11.12.2023 2023 and signed on the board's behalf by:



**A Aston
Chair of Trustees**

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

SCOPE OF RESPONSIBILITY

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Chosen Hill School 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 6 times during the year. The board maintains effective oversight of funds with more frequent meetings of the Resources Committee. The Chair and Vice Chair are both members of the Resources Committee and any financial concerns will be raised for the attention of the Full Governors and additional meetings convened if necessary.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs A Aston, Chair	3	4
Ms L Comer	3	4
Mr M Pauling, Headteacher	4	4
Mrs N Kessell	4	4
Ms L Moore	2	4
Mr W Parker	1	4
Mr W McCreath	3	4
Mr R Illesley	0	4
Mr D Newton	3	4
Mr D Stephens	2	3
Ms L Hudson	1	3
Mr D Clark	3	4

From September 2023, we have an active programme of Governor recruitment to enhance the Governing Board. We have recruited 2 new co-opted Governors and are in the process of appointing some additional parent Governors. We have combined the Audit and Risk and Resources Committees temporarily until these new appointees are in place and inducted.

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

Conflicts of interest

The academy maintains a register of business interests for all Governors and Senior staff. This is updated annually and kept as 'live' document on the Governors hub portal.

Governors are asked to confirm at the beginning of every meeting whether they have any conflicts of interest relating to any items on the agenda. If there are any, the Governor would be asked to leave the meeting for the duration of that item's discussion.

The Board of Trustees undergoes a continual process of critical self-review and reflection. Following the audit in 2021 and a number of Governors with terms ending this year we have an active recruitment plan in place for staff, parent and co-opted Governors.

The Resources and Community Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports on internal controls from the external auditors and drafting the annual budget. This committee is also responsible for and has oversight of the upkeep and maintenance of the physical structure of the school. This committee also has the responsibility for establishing the role of the school within the community and support the health and safety, wellbeing and pastoral care of both students and staff.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs A Aston	4	5
Mr W McCreath	5	5
Mr R Illesley	0	5
Ms L Moore	2	5
Mr W Parker (Chair)	5	5
Mr M Pauling, Headteacher	5	5
Mr D Stephens	1	5

The Audit and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to maintain oversight of the Academy financial, governance, risk management and internal control systems and report to the trust board and accounting officer. The committee meets 3 times per year.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Illesley	3	3
Ms L Moore	2	3
Mr M Pauling	3	3
Mr W McCreath	3	3

The Learning and Outcomes committee is also a sub-committee of the main Board of Trustees. Its purpose is to consider and advise the Governing board on learning and outcomes of pupils, including statutory requirements.

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

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs A Aston,	2	4
Mr D Clark	4	4
Ms L Comer	4	4
Mrs N Kessell	3	4
Mr M Pauling, Headteacher	4	4
Mr D Newton	2	4
Ms L Hudson (Chair)	3	4

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy'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 has delivered improved value for money during the year by:

1. Management and Governance arrangements have enabled regular monitoring of Chosen Hill School's finance. Meetings took place over teams throughout the year. A three year budget projection, annual budget and regular in year budget reviews have informed decisions to ensure that the School is making the best use of the finance resources in both the long and short term.
2. A number of systems are in place to assess and manage risk in relation to the controls of finance. The presence of good systems of internal control is confirmed by the independent internal audit of systems and the finance statements.
3. The Academy works with other local secondary Academy schools to make joint procurements of services wherever possible and where it is advantageous to the Academy.
4. The Academy participates within the Gloucestershire Association of School Business Manager's forum to share advice, procurement information and skills.
5. The Academy continues to review its Financial Policy and housekeeping protocols and has implemented recommendations from audits.
6. The Academy has made use of DfE and CPC procurement initiatives to purchase reprographic equipment and insurance. We have also used DfE approved suppliers for electricity contract renewal and joined a bundle agreement.
7. We have re-tendered our HR and Payroll contracts which started in January and have had the first year of trading for the new catering company.

We have used the energy efficiency grant in the year to change lighting across most of the school to LED. There are still a few areas to change, but the vast majority of the school is now on LED lighting.

Following a change of staff, we have invested in additional premises and operational staff together with software to ensure that we are undertaking all our compliance and regulations checks to ensure the trust estate is safe, well maintained and complies with regulations.

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

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Chosen Hill School for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy 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's significant risks, that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Duncan & Toplis Ltd to carry out an independent internal review of the financial systems and controls to provide assurance to the Board. They are independent from the year end financial auditors. The Governing body considers this is the most effective and value for money option for internal audit, ensuring auditors have the appropriate qualifications and skills and understanding of the audit function.

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

- Review of the system for recording expenditure and making bank payments
- Review of payroll to ensure it is appropriately prepared and authorised
- Review of the credit card, including correct authorisation and recording
- Review of the process for budgeting and financial monitoring
- Review of the fixed assets including insurance
- Review bank and petty cash processes
- Review compliance with the handbook

The Reviewer reports to the Board of Trustees through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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

During the year, two reviews took place. The first visit looked at budgets and financial monitoring and compliance. There were two red and two green recommendations. The second visit looked at Expenditure, Fixed Assets, payroll, compliance and Credit cards. There were three amber and one green issues raised and all issues from the previous year's report were identified as having been addressed. The recommendations will be addressed in the coming year, or have been addressed already as appropriate.

REVIEW OF EFFECTIVENESS

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

- the work of the external auditors; and
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources and Community Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on ...11-12-2023.....2023 and signed on their behalf, by:



**Mrs A Aston
Chair of Trustees**



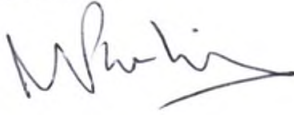
**Mr M Pauling
Accounting Officer**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Chosen Hill School, I have considered my responsibility to notify the Academy Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, including for estates safety and management, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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



Mr M Pauling
Accounting Officer

Date:

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial 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 Group and 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 in the Charities SORP (FRS102) and the Academies Accounts Direction 2022 to 2023
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education and Skills Funding Agency and Department for Education have been applied for the purposes intended.

In so far as the trustees are aware:

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the group'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 on 11.12.23 and signed on its behalf by:



Mrs A Aston
Chair of Trustees

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CHOSEN HILL SCHOOL

Opinion

We have audited the financial statements of Chosen Hill School for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (FRS102) and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs as at 31 August 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP (FRS102) and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CHOSEN HILL SCHOOL (Continued)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the 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 strategic report and the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CHOSEN HILL SCHOOL (Continued)

Auditor's responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the company financial statements or that had a fundamental effect on the operations of the company. We determined that the most significant laws and regulations included UK GAAP, UK Companies Act 2006 and taxation laws;
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included challenging assumptions and judgments made by management in its significant accounting estimates and identifying and testing journal entries, in particular any journal entries posted with unusual characteristics.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

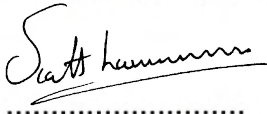
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CHOSEN HILL SCHOOL (Continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



.....
Scott Lawrence FCA DChA (Senior Statutory Auditor)

13/12/2023

.....
Date

For and on behalf of Hazlewoods LLP, Statutory Auditor

**Staverton Court
Staverton
Cheltenham
GL51 0UX**

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

In accordance with the terms of our engagement letter dated 28 July 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies: Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Chosen Hill School during year to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Chosen Hill School's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Chosen Hill School's funding agreement with the Secretary of State for Education dated 19 December 2021 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies: Accounts Direction 2022 to 2023 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

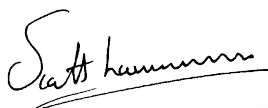
In this regard, we have carried out the following:

- specific testing of a sample of items of income and expenditure to ensure appropriately applied for the purposes intended;
- specific testing of a sample of system controls relevant to the above items;
- a general review of relevant correspondence with the ESFA regarding Academy governance matters during the period since conversion; and
- a general review and discussion of the Academy's internal processes for establishing and maintaining systems of control and documentation regarding these matters.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHOSEN HILL SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (Continued)

Conclusion

In the course of our work, except for there being no programme of risk review and checking of financial controls in the year, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....
Scott Lawrence FCA DChA (Reporting Accountant)

13/12/2023

.....
Date

For and on behalf of Hazlewoods LLP, Statutory Auditor

**Staverton Court
Staverton
Cheltenham
GL51 0UX**

**CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2023**

		Restricted funds				
	Note	Unrestricted Funds £	Restricted Funds £	Fixed Asset Funds £	Total 2023 £	Total 2022 £
INCOME FROM:						
Charitable activities						
Donations and capital grants	3	-	1,456	67,463	68,919	23,423
Charitable activities	4	247,190	8,428,006	-	8,675,196	7,935,440
Other trading activities	5	66,783	-	-	66,783	40,812
Investments	6	78,704	-	-	78,704	6,428
TOTAL		392,677	8,429,462	67,463	8,889,602	8,006,103
EXPENDITURE ON:						
Charitable activities:						
	7,8	235,240	8,324,905	459,679	9,019,824	8,339,598
TOTAL EXPENDITURE		235,240	8,324,905	459,679	9,019,824	8,339,598
NET INCOME/ (EXPENDITURE)		157,437	104,557	(392,216)	(130,222)	(333,495)
Transfers between funds	18	-	(308,682)	308,682	-	-
NET INCOME/ (EXPENDITURE) FOR THE YEAR		157,437	(204,125)	(83,534)	(130,222)	(333,495)
Actuarial gains/(losses) on defined benefit pension schemes	25	-	843,000	-	843,000	3,355,000
NET MOVEMENT IN FUNDS		157,437	638,875	(83,534)	712,778	3,021,505
RECONCILIATION OF FUNDS						
Total funds brought forward at 1 September 2022	18,19	315,239	21,664	17,203,940	17,540,843	14,519,338
TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST 2023	18,19	472,676	660,539	17,120,406	18,253,621	17,540,843

All of the Academy's activities derive from continuing operations during the above two financial periods. No separate statement of total recognised gains and losses has been presented as all such gains and losses are dealt with in the statement of financial activities above.

**CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET
AS AT 31 AUGUST 2023**

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	13	17,120,406	17,203,940
CURRENT ASSETS			
Stock	14	16,936	12,471
Debtors	15	367,052	742,674
Cash at bank and in hand		2,122,852	1,921,681
		<u>2,506,839</u>	<u>2,676,826</u>
LIABILITIES			
Creditors: Amounts falling due within one year	16	<u>(1,056,491)</u>	<u>(1,214,407)</u>
NET CURRENT ASSETS		<u>1,450,348</u>	<u>1,462,419</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>18,570,754</u>	<u>18,666,359</u>
Creditors: amounts falling due after more than one year	17	(317,133)	(347,516)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>18,253,621</u>	<u>18,318,843</u>
Defined benefit pension scheme liability	25	-	(778,000)
TOTAL NET ASSETS		<u>18,253,621</u>	<u>17,540,843</u>
FUNDS OF THE ACADEMY:			
Restricted funds			
Fixed asset fund	18	17,120,406	17,203,940
Restricted income fund	18	660,539	799,664
Restricted funds excluding pension asset	18	17,780,945	18,003,604
Pension reserve	18	-	(778,000)
Total restricted funds	18	<u>17,780,945</u>	<u>17,225,604</u>
Unrestricted income funds	18	472,676	315,239
TOTAL FUNDS		<u>18,253,621</u>	<u>17,540,843</u>

The financial statements on pages 31 to 53 were approved by the Trustees, and authorised for issue on and are signed on their behalf by:



.....
Mr M Pauling

Registered Number: 07550474

**CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	20	459,591	2,402,715
Cash flows from financing activities	21	(28,443)	(19,236)
Cash flows from investing activities	22	(229,978)	(1,805,046)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD		201,171	578,433
Cash and cash equivalents at 1 September 2022		1,921,681	1,343,248
CASH AND CASH EQUIVALENTS AT 31 AUGUST 2023	23,24	<u>2,122,852</u>	<u>1,921,681</u>

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

1 Statement of Accounting Policies

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

Basis of Preparation

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

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval 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.

Income

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

• **Grants**

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

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

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

• **Sponsorship income**

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

• **Donations**

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

1 Statement of Accounting Policies (Continued)

- **Other income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

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 raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Taxation

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

Tangible Fixed Assets

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

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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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

1 Statement of Accounting Policies (Continued)

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

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

Freehold property	50 years straight line
Plant and equipment	3-5 years straight line

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.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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.

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.

Liabilities and Provisions

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 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. Provisions are measured at the best estimate of the amounts required to settle the obligation.

Operating Leases

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

Pensions

Retirement benefits to employees of the Academy 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 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. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

1 Statement of Accounting Policies (Continued)

The LGPS is a funded scheme and the assets are held separately from those of the Academy 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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest.

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

The Academy is a member of a multi-employer plan. Where it is not possible for the Academy to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

Agency Arrangements

The Academy acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy does not have control over the charitable application of the funds. The Academy can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in note 27.

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency and Department for Education Group.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and areas of judgement (continued)

Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy 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.

3 Donations and Capital Grants

	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
Donations	-	1,456	1,456	320
Capital grants	-	67,463	67,463	23,103
Total 2023	-	68,919	68,919	23,423
Total 2022	320	23,103	23,423	

4 Funding for the Academy's Education

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
DfE/ESFA revenue grants:				
General Annual Grant (GAG) - see note 2	-	7,458,504	7,458,504	7,043,055
Pupil Premium	-	243,440	243,440	221,124
Other DfE/ESFA grants				
- Supplementary grant	-	298,725	298,725	82,609
- Recovery premium	-	82,959	82,959	5,795
- Other	-	95,830	95,830	174,818
	-	8,179,458	8,179,458	7,527,401
Other government funding:				
High Needs	-	188,441	188,411	172,740
Other government grants: non capital	-	60,137	60,137	49,781
Exceptional government funding	-	-	-	2,149
	-	248,548	248,548	224,670
Other Funding				
Sales to students	26,931	-	26,931	8,789
Catering income	27,083	-	27,083	29,416
Trips and music tuition	193,176	-	193,176	145,164
	247,190	-	247,190	183,369
Total 2023	247,190	8,428,006	8,675,196	7,935,440
Total 2022	183,369	7,752,071	7,935,440	

**CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

5 Income from Other Trading Activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Lettings	60,613	-	60,613	39,827
Other Income	6,170	-	6,170	985
Total 2023	<u>66,783</u>	<u>-</u>	<u>66,783</u>	<u>40,812</u>
Total 2022	<u>40,812</u>	<u>-</u>	<u>40,812</u>	

6 Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Bank interest	78,704	-	78,704	6,428
Total 2023	<u>78,704</u>	<u>-</u>	<u>78,704</u>	<u>6,428</u>

All income in 2023 related to unrestricted funds.

7 Expenditure

	Staff Costs £	Premises £	Other Costs £	Total 2023 £	Total 2022 £
EDUCATION:					
Direct costs	5,584,232	337,619	766,470	6,688,321	6,198,349
Allocated support costs	970,827	974,674	386,002	2,331,503	2,141,249
Total 2023	<u>6,555,059</u>	<u>1,312,293</u>	<u>1,152,472</u>	<u>9,019,824</u>	<u>8,339,598</u>
Total 2022	<u>6,311,385</u>	<u>950,236</u>	<u>1,077,977</u>	<u>8,339,598</u>	

8 Analysis of expenditure by activities

	Activities Undertaken Directly 2023 £	Support Costs 2023 £	Total 2023 £	Total 2022 £
EDUCATION	6,688,321	2,331,503	9,019,824	8,339,598
Total 2023	<u>6,688,321</u>	<u>2,331,503</u>	<u>9,019,824</u>	<u>8,339,598</u>
Total 2022	<u>6,198,349</u>	<u>2,141,249</u>	<u>8,339,598</u>	

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

8 Analysis of expenditure by activities (Continued)

Analysis of direct costs

	Total 2023 £	Total 2022 £
Staff costs	5,396,304	5,104,569
Depreciation	337,619	311,246
Educational supplies	192,907	153,699
Examination fees	144,832	142,280
Staff development	26,839	16,274
Other costs	401,892	307,292
Agency supply teachers	187,928	162,988
	<u>6,688,321</u>	<u>6,198,349</u>

Analysis of support costs

	Total 2023 £	Total 2022 £
Pension finance cost and FRS102 adjustment	65,000	357,000
Staff costs	957,068	789,448
Depreciation	122,060	97,678
Other costs	16,325	13,158
Recruitment and support	13,759	6,893
Maintenance of premises and equipment	450,558	198,010
Cleaning	206,066	187,941
Rent and rates	27,413	25,600
Energy costs	153,112	107,065
Insurance	34,539	31,079
Security and transport	15,465	27,978
Catering	17,039	55,325
Technology costs	129,913	145,705
Office overheads	39,122	34,571
Legal and professional	80,192	57,219
Bank interest and charges	3,808	3,015
Governance	64	3,565
	<u>2,331,503</u>	<u>2,141,249</u>

9 NET (EXPENDITURE)/INCOME

Net (expenditure)/income for the year includes:

	Total 2023 £	Total 2022 £
Operating lease rentals	11,421	18,097
Depreciation of tangible fixed assets	459,679	408,924
Fees paid to auditors for:		
- audit	12,135	10,600
- other services	1,080	3,635
	<u>484,315</u>	<u>440,256</u>

**CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

10 Staff

a. STAFF COSTS	2023	2022
	£	£
Staff costs during the year were as follows:		
Wages and salaries	4,729,775	4,361,139
Social security costs	459,967	423,271
Pension costs	1,163,630	1,352,895
	<u>6,353,372</u>	<u>6,137,305</u>
Agency Staff costs	201,687	174,080
	<u>6,555,059</u>	<u>6,311,385</u>

b. STAFF NUMBERS

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

	2023	2022
	No.	No.
Teachers	75	76
Administration and support	67	66
Management	8	7
	<u>150</u>	<u>149</u>

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Teachers	67	64
Administration and support including teaching assistants	52	45
Management	8	7
	<u>127</u>	<u>116</u>

c. HIGHER PAID STAFF

	2023	2022
	No.	No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	1
In the band £90,000 - £100,000	1	-
	<u>5</u>	<u>4</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

10 Staff (Continued)

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 2. 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 was £723,570 (2022: £668,635).

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 in their role as Trustees, their remuneration as set out in note 11 has not been included in the total benefits received by Key Management Personnel above.

11 Trustees' Remuneration and Expenses

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of trustees' remuneration and other benefits was as follows:

M Pauling: remuneration £90,000 - £100,000 (2022: £85,000 - £90,000), employer's pension contributions £20,000 - £25,000 (2022: £20,000 - £25,000);

L Comer: remuneration £25,000 - £30,000 (2022: £25,000 - £30,000), employer's pension contributions £5,000 - £10,000 (2022: £7,000 - £7,500);

C Fishlock: remuneration £Nil (2022: £15,000 - £20,000), employer's pension contributions £Nil (2022: £0 - £5,000);

A Pilsworth: remuneration £Nil (2022: £0 - £5,000), employer's pension contributions £Nil (2022: £0 - £5,000); and

A Selwyn: remuneration £0 - £5,000 (2022: £Nil), employers pension contributions £0 - £5,000 (2022: £Nil).

During the year, no Trustees received any benefits in kind (2022: £Nil).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £Nil).

12 Trustees' and Officers' Insurance

The Academy 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 offices 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.

**CHOSEN HILL SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2023**

13 Tangible Fixed Assets

	Freehold Property £	Plant and equipment £	Total £
Cost			
At 1 September 2022	20,225,859	781,754	21,007,613
Additions	244,462	131,683	376,145
Disposals	-	(5,180)	(5,180)
At 31 August 2023	<u>20,470,321</u>	<u>908,257</u>	<u>21,378,578</u>
Depreciation			
At 1 September 2022	3,275,318	528,355	3,803,673
Charged in year	337,619	122,060	459,679
Eliminated on disposal	-	(5,180)	(5,180)
At 31 August 2023	<u>3,612,937</u>	<u>645,235</u>	<u>4,258,172</u>
Net book values			
At 31 August 2023	<u>16,857,384</u>	<u>263,022</u>	<u>17,120,406</u>
At 31 August 2022	<u>16,950,541</u>	<u>253,399</u>	<u>17,203,940</u>

Included in freehold property is freehold land at Valuation of £2,890,428 (2022: 2,890,428) which is not depreciated.

14 Stock

	2023 £	2022 £
Goods for resale	<u>16,936</u>	<u>12,471</u>

15 Debtors

	2023 £	2022 £
Trade debtors	37,458	8,730
Other debtors	441	1,766
VAT recoverable	126,554	204,109
Prepayments and accrued income	202,599	528,069
	<u>367,052</u>	<u>742,674</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

16 Creditors: amounts falling due within one year

	2023 £	2022 £
ESFA Loan	19,233	19,233
CIF Loan	22,857	22,196
SALIX Loan	3,837	2,558
Trade creditors	190,639	461,119
Other taxation and social security	110,906	104,492
Other creditors	135,656	121,802
Accruals and deferred income	573,364	483,007
	<u>1,056,491</u>	<u>1,214,407</u>

17 Creditors: amounts falling due after more than one year

	2023 £	2022 £
ESFA loan	115,394	134,627
CIF loan	174,773	184,751
SALIX loan	26,966	28,138
	<u>317,133</u>	<u>347,516</u>

Included within the above are amounts falling due as follows:

BETWEEN ONE AND TWO YEARS

ESFA loan	19,233	19,233
CIF loan	23,309	24,613
SALIX loan	3,837	3,837
	<u>46,379</u>	<u>47,683</u>

BETWEEN TWO AND FIVE YEARS

ESFA loan	57,698	57,698
CIF loan	64,367	73,839
SALIX loan	11,511	11,511
	<u>133,576</u>	<u>143,046</u>

OVER FIVE YEARS

ESFA loan	38,463	57,698
CIF loan	87,097	86,299
SALIX loan	11,618	12,790
	<u>137,178</u>	<u>156,787</u>

The loans relate to school contributions from successful CIF bids and include loans from CIF and also Salix.

**CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

18 Statement of funds

	Balance at 1 Sept 2022 £	Income £	Expenditure £	Gains/ (Losses) and transfers £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS					
General funds	315,239	392,677	(235,240)	-	472,676
RESTRICTED FUNDS					
General Annual Grant (GAG)	799,664	7,458,504	(7,288,947)	(308,682)	660,539
Pupil Premium	-	243,440	(243,440)	-	-
Other DfE/ESFA	-	477,514	(477,514)	-	-
High needs	-	188,411	(188,411)	-	-
Other government grants	-	60,137	(60,137)	-	-
Other income	-	1,456	(1,456)	-	-
Pension reserve	(778,000)	-	(65,000)	843,000	-
	<u>21,664</u>	<u>8,429,462</u>	<u>(8,324,905)</u>	<u>534,318</u>	<u>660,539</u>
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred on conversion	12,002,985	-	(234,936)	-	11,768,049
Fixed assets purchased from GAG and other restricted funds	5,200,955	67,463	(224,743)	308,682	5,352,357
	<u>17,203,940</u>	<u>67,463</u>	<u>(459,679)</u>	<u>308,682</u>	<u>17,120,406</u>
TOTAL RESTRICTED FUNDS	<u>17,225,604</u>	<u>8,496,925</u>	<u>(8,784,584)</u>	<u>843,000</u>	<u>17,780,945</u>
TOTAL FUNDS	<u>17,540,843</u>	<u>8,889,602</u>	<u>(9,019,824)</u>	<u>843,000</u>	<u>18,253,621</u>

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

18 Statement of funds (Continued)

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

Restricted Funds

Donations represent income received for a specific purpose.

General Annual Grant (GAG) represents funding received from the Education & Skills Funding Agency (ESFA) which is to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium funding represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying socio-economic inequalities.

Other ESFA includes reimbursement of rates, funding received in respect of recovery premium, National Tutoring/School-Led Tutoring grant, additional funding to help with the increase in teachers' pension contributions during the year, and a schools' supplementary grant.

High Needs funding is received from the Local Authority to fund further support for students with additional needs.

Other local authority grants includes Looked After Children and Homes for Ukraine received from the local authority.

Educational visits includes funds received from parents. These funds have been reclassified to unrestricted funds in the year.

Donations represent income received for a specific purpose, including voluntary contributions received for school trips.

Pension reserve represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which were inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Fixed Asset Funds

Fixed Assets transferred on conversion represent the buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG represents amounts spent on fixed assets from GAG funding received from the ESFA.

Fixed assets purchased from other restricted funds represents CIF funding received from the ESFA to support capital projects under taken by the Academy, devolved formula capital grants from the ESFA for purchase of fixed assets and other restricted funds used for the purchase of fixed assets. During the year, the Academy received £1,654,113 as a result of a successful CIF bid from the ESFA in order to replace and improve the school fire safety measures. This work will take place in the 2021/22 academic year.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

**CHOSEN HILL SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2023**

18 Statement of funds (Continued)

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

	Balance at 1 Sept 2021 £	Income £	Expenditure £	Gains/ (Losses) and transfers £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS					
General funds	286,609	230,609	(201,979)	-	315,239
RESTRICTED FUNDS					
General Annual Grant (GAG)	464,542	7,043,055	(6,662,359)	(45,574)	799,664
Pupil Premium	-	221,124	(221,124)	-	-
Other DfE/ESFA	-	263,222	(263,222)	-	-
High needs	-	172,740	(172,740)	-	-
Other government grants	-	52,250	(52,250)	-	-
Other income	-	-	-	-	-
Pension reserve	(3,776,000)	-	(357,000)	3,355,000	(778,000)
	<u>(3,311,458)</u>	<u>7,752,391</u>	<u>(7,728,695)</u>	<u>3,309,426</u>	<u>21,664</u>
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred on conversion	12,237,921	-	(234,936)	-	12,002,985
Fixed assets purchased from GAG and other restricted funds	5,306,266	23,103	(173,988)	45,574	5,200,955
	<u>17,544,187</u>	<u>23,103</u>	<u>(408,924)</u>	<u>45,574</u>	<u>17,203,940</u>
TOTAL RESTRICTED FUNDS	<u>14,232,729</u>	<u>7,775,494</u>	<u>(8,137,619)</u>	<u>3,355,000</u>	<u>17,225,604</u>
TOTAL FUNDS	<u>14,519,338</u>	<u>8,006,103</u>	<u>(8,339,598)</u>	<u>3,355,000</u>	<u>17,540,843</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

19 Analysis of net assets between funds

Analysis of net assets between funds – current period

	Unrestricted Funds £	Restricted General £	Restricted Fixed Asset £	Total Funds 2023 £
Tangible fixed assets	-	-	17,120,406	17,120,406
Current assets	472,676	2,034,163	-	2,512,279
Current liabilities	-	(1,045,491)	-	(1,045,491)
Non-current liabilities	-	(317,133)	-	(317,133)
Pension scheme liability	-	-	-	-
Total net assets	<u>472,676</u>	<u>660,539</u>	<u>17,120,406</u>	<u>18,253,621</u>

Analysis of net assets between funds – Prior Period

	Unrestricted Funds 2022 £	Restricted General 2022 £	Restricted Fixed Asset 2022 £	Total Funds 2022 £
Tangible fixed assets	-	-	17,203,940	17,203,940
Current assets	315,239	2,361,587	-	2,676,826
Creditors due within one year	-	(1,214,407)	-	(1,214,407)
Creditors due in more than one year	-	(347,516)	-	(347,516)
Provisions for liabilities and charges	-	(778,000)	-	(778,000)
Total net assets	<u>315,239</u>	<u>21,664</u>	<u>17,203,940</u>	<u>17,540,843</u>

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

	2023 £	2022 £
Net income/(expenditure) for the period (as per the statement of financial activities)	(130,222)	(333,495)
Adjustments for:		
Depreciation	459,679	408,924
Capital grants from DfE and other capital income	(67,463)	(23,423)
Interest receivable	(78,704)	(6,428)
Defined benefit pension scheme cost less contributions payable	31,000	292,000
Defined benefits pension scheme finance cost	34,000	65,000
(Increase)/decrease in stocks	(4,464)	3,812
Decrease in debtors	375,622	1,474,243
Increase/(decrease) in creditors	(159,856)	522,082
Net cash provided by operating activities	<u>459,592</u>	<u>2,402,715</u>

**CHOSEN HILL SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2023**

21 Cash flows from financing activities

	2023	2022
	£	£
Repayment of borrowing	(28,443)	(19,236)
Net cash used in financing activities	<u>(28,443)</u>	<u>(19,236)</u>

22 Cash flows from investing activities

	2023	2022
	£	£
Interest	78,704	6,428
Purchase of tangible fixed assets	(376,145)	(1,834,577)
Capital grants from DfE Group	67,463	23,423
Net cash provided by/(used in) investing activities	<u>(229,978)</u>	<u>(1,804,726)</u>

23 Analysis of cash and cash equivalents

	At 31	At 31
	August	August
	2023	2022
	£	£
Cash in hand and at bank	2,122,852	1,921,681
Total cash and cash equivalents	<u>2,122,852</u>	<u>1,921,681</u>

24 Analysis of changes in net funds

	At 31	Cash	New	Other	At 31
	September	Flows	Finance	Non-cash	August
	2022	2023	Leases	Changes	2023
	£	£	2023	2023	£
			£	£	£
Cash at bank and in hand	1,921,681	201,171	-	-	2,122,852
ESFA loan (due within 1 year)	(19,233)	19,233	-	(19,233)	(19,233)
ESFA loan (due after 1 year)	(134,627)	-	-	19,233	(115,394)
CIF loan (due within 1 year)	(22,196)	9,317	-	(9,978)	(22,857)
CIF loan (due after 1 year)	(184,751)	-	-	9,978	(174,773)
SALIX loan (due within 1 year)	(2,558)	(107)	-	(1,172)	(3,837)
SALIX loan (due after 1 year)	(28,138)	-	-	1,172	(26,966)
	<u>1,530,178</u>	<u>229,614</u>	<u>-</u>	<u>-</u>	<u>1,759,792</u>

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

25 Pension commitments

The Academy'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 Gloucestershire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £92,199 (TPS) and £40,328 (LGPS) were payable to the schemes at 31 August 2023 (2022 - £87,651 (TPS) and £32,657 (LGPS)) 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 formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £791,676 (2022: £744,560).

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

Under the definitions set out in FRS102, the TPS is an unfunded multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

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

25 Pension commitments (continued)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £454,682 (2022: £382,254), of which employer's contributions totalled £372,477 (2022: £316,335) and employees' contributions totalled £82,205 (2022: £65,918). The agreed contribution rates for future years are 28.3% for employers and an average of 6% for employees.

As described in note 24 the LGPS obligation relates to the employees of the Academy, 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 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

	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	3.5%	3.5%
Rate of increase for pensions in payment/inflation	3.0%	3.2%
Discount rate for scheme liabilities	<u>5.2%</u>	<u>4.3%</u>

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

	At 31 August 2023	At 31 August 2022
Retiring today -		
Males	21.8	21.7
Females	24.5	24.1
Retiring in 20 years -		
Males	21.3	22.6
Females	<u>25.7</u>	<u>25.8</u>

Sensitivity analysis

	2023	2022
	£	£
Discount rate -0.5%	575,000	625,000
CPI rate +0.5%	<u>545,000</u>	<u>590,000</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

25 Pension commitments (continued)

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

	Fair value at 31 August 2023 £	Fair value at 31 August 2022 £
Equities	3,974,000	3,669,000
Corporate bonds	1,284,000	1,025,000
Property	734,000	593,000
Cash and other liquid assets	122,000	108,000
Total market value of assets	6,114,000	5,395,000
Present value of scheme assets	(5,977,000)	(6,173,000)
Asset ceiling adjustment	(137,000)	-
Deficit on the scheme	-	(778,000)

The actuary's schedule of results valued the pension scheme in an asset position at the year end, however as this asset is unlikely to be realised, it has been reduced to Nil by the above asset ceiling adjustment.

The actual return on scheme assets was £1,255,000 (2022: £1,025,000)

The amounts recognised in the statement of financial activities are as follows:

	2023 £	2022 £
Current service cost	(399,000)	(608,000)
Past service cost	-	-
Interest income	235,000	92,000
Interest cost	(269,000)	(157,000)
Total	(433,000)	(637,000)

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

	2023 £	2022 £
At 1 September	6,173,000	9,231,000
Current service cost	399,000	608,000
Interest cost	269,000	157,000
Employee contributions	81,000	65,000
Actuarial losses/(gains)	(789,000)	(3,748,000)
Benefits paid	(156,000)	(140,000)
Past service costs	-	-
At 31 August	5,977,000	6,173,000

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

	2023 £	2022 £
At 1 September	5,395,000	5,455,000
Interest income	235,000	92,000
Actuarial gains/(losses)	191,000	(393,000)
Employer contributions	368,000	316,000
Employee contributions	81,000	65,000
Benefits paid	(156,000)	(140,000)
At 31 August	6,114,000	5,395,000

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

26 Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	21,380	11,421
Later than 1 year and not later than 5 years	26,524	9,600
	<u>47,904</u>	<u>21,021</u>

27 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.

28 Agency arrangements

The Academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2022 the Academy received £9,704 (2022: £8,642) and disbursed £10,326 (2022: £13,771) from the fund. An amount of £2,682 (2022: £3,304) is included in deferred income relating to the undistributed funds.