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Registration number: 09679536

Cockermouth School Academy

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023

Dodd & Co Audit Limited
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
Carlisle
CA1 2RW

Cockermouth School Academy

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Cockermouth School Academy

Reference and administrative details

Members

Ivan Baldwin
Andrew Graham
Les Studholme
Gill Marsden
A Granger (appointed 27 June 2023)

Trustees (Directors)

Helen Connolly
Bob Crozier
Lynne Swain (Resigned 26 March 2023)
Andrew Ward, (Chair to 27 June 2023)
Sue Moses
Alan Rankin, (Chair from 28 June 2023)
Richard Watson
Christopher Draper (Resigned 24 April 2023)
Richard King
Rachel Tate
Thomas Roberts

Bob Crozier, Richard King, Alan Rankin, Andrew Ward, Christopher Draper, Thomas Roberts and Rachel Tate were all members of the Finance and Staffing Committee during the year.

Bob Crozier, Richard King, Alan Rankin, Andrew Ward, Christopher Draper, Thomas Roberts and Rachel Tate were all members of the Audit Committee during the year.

Cockermouth School Academy

Reference and administrative details (continued)

Company Secretary	Michael Smillie
Senior Management Team	R King, Headteacher M Henley, Senior Deputy Headteacher S Milledge, Designated Safeguard Lead H Carter, Assistant Headteacher R Atherton, Assistant Headteacher I Routledge, Assistant Headteacher N Hayton, Assistant Headteacher G Moore, Assistant Headteacher M Smillie, Business Manager
Principal and Registered Office	Castlegate Drive Cockermouth Cumbria CA13 9HF
Company Registration Number	09679536
Auditors	Dodd & Co Audit Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate Carlisle CA1 2RW
Bankers	HSBC 3 Pow Street Workington Cumbria CA14 3AH

Cockermouth School Academy

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 purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in West Cumbria. It has a pupil capacity of 1,363 and had a roll of 1,323 in the school on 31 January 2023 made up of 1,110 in Key Stages 3 and 4 and 213 in Key Stage 5.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 09679536.

The governors act as the trustees for the charitable activities of Cockermouth School Academy and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Cockermouth School.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

Method of recruitment and appointment or election of Trustees

The trustees are appointed under the terms of the academy's articles of association as follows:

- The members may appoint up to 14 trustees.
- A minimum of 2 parent trustees.
- Number of staff trustees does not exceed one third of the total number of trustees (as at 31 August 2023 no staff trustees are appointed in line with guidance in DfE Academy Trust Governance - Structures and Role Descriptors: Oct 2020).

The term of office for all trustees, except the Headteacher, is four years. The Headteacher's term of office runs parallel with their contract of employment. The trustees who were in office, and who served throughout the period, are listed in the Reference and Administrative Details.

Cockermouth School Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new trustees will depend on their existing experience. An induction is provided and training on charity, educational legal and financial matters is also provided. All new trustees meet with the Head Teacher and Chair of Governors and are given a tour of the academy and the chance to meet with staff and students. All trustees have access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees and directors of the charitable company. As there is normally expected to be only a small number of new trustees each year, induction was arranged as a collective event and this was open to all trustees.

Organisational structure

As specified in the memorandum and articles of association, the trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, and senior staff appointments. The trustees are responsible for the monitoring and performance of the Headteacher and senior management on a regular basis.

The senior management team for the academy, during the year to 31st August 2023, was the Headteacher, Deputy Headteacher, Assistant Headteachers and Business Manager. These managers control the academy at an executive level implementing the policies laid down by the trustees and reporting back to them. As a group the senior management team are responsible for the authorisation of spending within agreed budgets and the appointment of staff through an agreed recruitment process. Appointments for posts in the senior management team always contain a trustee. The senior management structure is Headteacher, Senior Deputy Headteacher, Deputy Headteacher and 5 Assistant Headteachers and Business Manager.

Arrangements for setting pay and remuneration of key management personnel

The academy's teachers' pay policy sets out the appraisal process and the agreed rates of pay. This is set via a pay panel of governors in the Autumn term, who ratify any progression/accelerated progression or movement up the thresholds. For support staff the academy complies with Single Status and staff progress to point B after 6 months' successful probation, with no further progression after that. Pay awards are currently in line with national Government approved rates.

Cockermouth School Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	3

Percentage of time spent on facility time

Percentage of time

1%-50%

Number of employees

3

Percentage of pay bill spent on facility time

Provide the total cost of facility time

Provide the total pay bill

Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100

2023

£9,668

£7,290,492

0.13

Trustees should refer to Statutory Instrument 2017 No. 328, The Trade Union Facility Time Publication Requirements Regulations 2017 for calculation details.

Connected organisations, including related party relationships

The Academy Trust is a strategic partner of the Western Lakes Teaching School Alliance, a company limited by guarantee and of Cumbria Associate Research School, a collaboration between Cockermouth School and West Lakes Academy which is supported by the Education Endowment Foundation and the Institute for Effective Education.

Cockermouth School Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Objectives and activities

Objects and aims

The principal activity of the academy trust is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing the school.

The aim of the academy is to provide education for pupils of different abilities between the ages of 11 and 18.

In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

During the year ended 31 August 2023 the Trustees set out ambitious forward plans:

Our Vision: An Exceptional Learning Experience for All.

Our Mission: The Trustees, Leadership Team and Staff at Cockermouth School are committed to creating an exceptional learning experience for all within a state of the art facility delivered by committed and passionate staff through an engaging curriculum while always being mindful of our role as an integral part of the community.

Our strategic objectives are to ensure:

- Learners – Resilient, independent and creative learners ready to tackle the challenges ahead.
- Staff - Staff who are fully committed to and able to deliver the vision of the school.
- School Model – Forging our own path to become a nationally recognised centre of excellence.
- Partnerships – Effective and sustained relationships with partners and communities for mutual benefit.
- Learning Environment – A state of the art facility that inspires learning, benefits the whole community and a net-zero school.
- Curriculum – An inspiring, inclusive and engaging curriculum driving academic, pastoral, cultural, creative and sporting excellence.

The trust has established and continues to build a values-based culture centred on the core values of:

Aspire, Enjoy, Include, Respect, Community.

For the year ended 31 August 2023 the trust delivered its annual school improvement plan covering five areas of focus: Quality of Eductaion, Behaviour and Attitudes, Personal Development, Leadership and Management and Sixth Form. Termly goals were set for each of these areas and monitored by the trustees throughout the year.

Cockermouth School Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Public benefit

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

In setting objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and performance

This was the academy's eighth year of operation, having been created on 1 September 2015. Cockermouth School is a large comprehensive school of 1323 students (including 213 in the Sixth Form) serving the town of Cockermouth and the wider authority of Cumberland within the county of Cumbria. In all year groups, students are close to the National Average in Reading, Writing and Maths.

The school has a Strategic Resourced Provision for Autism. As at the end of July 2023 up to 31 students are directed here at any one time by the Local Authority, from within and outside of the school's catchment.

The vast majority (over 90%) of students in our 8 feeder primary schools join us in Year 7, along with students from a wide number of other primary schools.

The vast majority of lessons (95%) in our school are taught by subject specialists. Staff turnover is low and the school has a significant number of staff who have worked at the school for many years. We have a number of teaching staff employed following our involvement in their training with 11 who are in their first five years of teaching; seven of these have successfully secured promotions to positions of responsibility in school as TLR holders.

The school continued to implement its literacy plans as a key tenet of its response to the impact of the pandemic. This has provided a targeted improvement for students that enables them to access the curriculum successfully.

Students at Cockermouth School not only achieve well, but also receive a broad curriculum, pastoral support, personal development opportunities and curriculum enrichment opportunities that truly develops the whole child. Everything we do places the child at the centre and their safety and welfare is our first priority. As a result, students are safe and feel safe in our school. Teaching of a well-planned and sequenced curriculum is consistently of a high standard and students' attitudes towards learning are excellent. The culture in school is one of high expectations for all and both staff and students benefit from the strong and positive relationships that exist between all members of the school community. The behaviour and attitudes of the overwhelming majority of students is consistently outstanding.

Cockermouth School prepares students well, both academically and personally, for their future employment or further education and training in whatever field of interest they choose to pursue.

Cockermouth School Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Key financial performance indicators

	Unit	2023	2022
Teaching & educational support staff costs as a % of total income (excluding capital income)	%	74.70	68.14
Support staff costs as a % of total income (excluding capital income)	%	10.50	9.10
Pupils on roll (January census)	No	1,323	1,328
Full time equivalent teachers	No	79.40	76.90
Pupil teacher ratio	No	16.70	17.30

Going concern

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

Financial review

Most of the academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the related expenditure are shown as restricted funds in the statement of financial activities.

The Academy has received, in the year, total ESFA, DfE and other grant funding of £8,722,000 relating mainly to GAG funding of £7,466,000, pupil premium funding of £173,000, Local Authority funding of £645,000 and other DfE/ESFA funding of £381,000. In addition the Academy received Covid-19 catch-up funding of £57,000.

The total staffing costs for the year were £7,408,000, there were no redundancy/restructuring payments this year. The next largest items of expenditure, excluding depreciation, are educational supplies and examination fees. These reflect the schools investment each year in our curriculum and the achievement of learners.

The income in the period to 31 August 2023 exceeded the expenditure in the period by £41,000, including capital grants and donated assets totalling £71,000.

At 31 August 2023, the net book value of fixed assets was £16,523,000 and movements in tangible fixed assets are shown in note 12 to the financial statements. Additions relate primarily to the fire / electrical safety work covered by the CIF project, a new air filtering system in the DT workshop and computer equipment. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Under the Financial Reporting Standard 102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. There is a surplus at the year ended 31 August 2023 of £465,000, however, this asset has not been recognised due to the Academy LGPS being part of wider pooling and future funding requirements of the scheme making access to any surplus unlikely. This is a significant decrease over the deficit of £1,377,000 at 31 August 2022 as a result of actuarial gains on scheme liabilities of £1,423,000, net current service costs of £(5,000) and net interest charges of £51,000.

Cockermouth School Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Financial and risk management objectives and policies

A budget for the period was agreed prior to the beginning of the accounting period. Management accounts were presented to the meetings of the Finance & Staffing committee and income and expenditure monitored against budget. All the academy's financial policies, systems and controls are disclosed in the Financial Regulations manual.

Reserves policy

During the year a reserves policy continued without change. The Trustees will aim to have reserves held within a band of 2-4% of annual GAG income and achieve an average of 3% in a three year rolling cycle. This approach enables the school to manage reserves on a strategic basis as well as annually.

The Trustees review the reserve levels held annually. The review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves held.

Total reserves at the period end are £17,427,000, free reserves are £996,000. Restricted general funds are in surplus by £109,000. The balance on restricted general funds (which would exclude the pension reserve when applicable) plus the balance of the unrestricted funds gives a surplus position of £1,105,000. The trustees monitor the financial performance of the academy on a regular basis against the current forecast with the aim of the trustees being to build up and maintain reserves at a sufficient level which can be used for future educational purposes.

Investment policy

The trust has not made any non-cash investments during the financial year ending 31 August 2023. An investment policy is in place to ensure future investments are made in line with the Academies Handbook and Charity Commission Guidance. The trust limits treasury activities to cash deposits managed within HSBC product portfolio who are the trust's banker.

Cockermouth School Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Principal risks and uncertainties

The trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health & safety, behaviour and school trips) and in the relation to the control of finances. They have introduced systems, including operational procedures (e.g. clearance of new staff) and internal financial controls (see below) in order to minimise risk. The academy has an effective system of internal financial controls and this is explained in more detail in the statement on internal control. During the year the school approved a long term workforce strategy, digital strategy and estates strategy to ensure these operating risk areas continue to be appropriately managed.

The three key risks identified and regularly reviewed are:

1. Government funding

The academy is considerably reliant on continued government funding through the ESFA and the local Authority. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Uncertainty from national pay disputes and the funding for the settlements has affected the schools ability to forecast into the future, however the settlement of these later in the year enabled these issues to be included in budget forecasts successfully.

The risk is mitigated by:

- Ensuring the academy is rigorous in delivering high quality education and training
- Working through schools forum to ensure we are aware and have the ability to challenge potential changes to funding
- Considerable focus and investment is in place on maintaining and managing key relationships with the ESFA and to ensure the school is assessing future income accurately as a basis for its financial planning.
- Well considered and prudent forward planning assumptions in line with sector guidance where available.

2. Maintain adequate funding of future pension liabilities

The financial statements report the share of the pension scheme deficit on the academy's balance sheet in line with the requirements of FRS102. When scheme is in asset position, not recognised on balance sheet in accordance with FRS 102.

3. Changes to numbers on the school roll.

The school revises its forward income and expenditure budgets to reflect these changes and manages its costs accordingly.

Cockermouth School Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Fundraising

Additional financing from funds outside the academy's normal revenue budgets is increasingly important in maintaining the quality of education for students. The funds come from voluntary donations, fundraising initiatives or sponsorship. Fundraising is seen by the academy as a legitimate means of improving the school's ability to purchase goods, equipment or services, which are not available within capital or revenue budgets.

For the public, donating cash or equipment, or actively raising funds is seen as a positive way of supporting the schools.

The Trustees are responsible for ensuring that:

- Correct procedures are in place and followed for fundraising activities,
- Expenditure is properly validated,
- All funds raised are properly accounted for and audited,
- The money is expended in accordance with the objectives agreed with the fund raisers.

Approval of Fundraising -

The majority of fundraising is undertaken by the Cockermouth School and Community Association which is a registered charity. Any in school fundraising is approved in advance through the relevant senior manager giving full details including the use of funds and which must support the academy's aims and objectives.

Dealing With The Funds Raised -

All staff or volunteers carrying out fundraising activities are expected to act with fairness, honesty, integrity and openness and in line with the financial regulations of the academy. Any concerns regarding the school's fundraising schemes are raised with the Finance Manager who will report regularly to the finance and staffing committee regarding all fundraising issues.

Plans for future periods

The School Development Plan sets out our annual ambitions across 5 areas:

- * Quality of Education,
- * Behaviour & Attitudes,
- * Personal Development,
- * Leadership & Management, and
- * Sixth Form.

29 school development objectives are being pursued across these 5 areas with each being monitored termly by Trustees. The 29 school improvement objectives map onto the overall long term strategy set by trustees.

The Trustee body of Cockermouth School will keep under review the formation of a Multi Academy Trust in line with the relevant national regulatory and legislative approach.

Cockermouth School Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Auditor

Insofar as the Trustees are aware:

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

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Trustee Body on 12 December 2023 and signed on its behalf by:



.....
Alan Rankin
Trustee

Cockermouth School Academy

Governance statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Cockermouth School Academy 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 Government Handbook and competency framework for governance.

The Trustee Body has delegated the day-to-day responsibility to R King, 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 Cockermouth School Academy and the Secretary of State for Education. They are also responsible for reporting to the Trustee Body any material weaknesses or breakdowns in internal control.

The trustee body receive key issues from each subcommittee at every meeting along with any policies requiring approval and any issues of concern relating to governance.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The Trustee Body has formally met 5 times during the year. Attendance during the year at meetings of the Trustee Body was as follows:

Trustee	Meetings attended	Out of a possible
Helen Connolly	4	5
Bob Crozier	5	5
Lynne Swain (Resigned 26 March 2023)	1	3
Andrew Ward, (Chair to 27 June 2023)	5	5
Sue Moses ((resigned as a member of the Academy Board on 20 November 2019) 20 November 2019)	5	5
Alan Rankin, (Chair from 28 June 2023)	4	5
Richard Watson	4	5
Christopher Draper (Resigned 24 April 2023)	2	3
Richard King	5	5
Rachel Tate	4	5
Thomas Roberts	3	5

During the year to 31 August 2023 one trustee resigned and one reached the end of their term of office. Our current trustees continue to ensure a wealth of experience is available to the school from teaching, public service and commercial business.

In addition to the Trustee Body meetings there are also four sub committees which also each meet approximately four times per year.

Cockermouth School Academy

Governance statement (continued)

Governance reviews

During the year the trust implemented recommendations from previous year's external reviews. This continues the trust's attention to adopting high standards of governance. Governance continues to be reviewed internally with the 22/23 year having a renewed cycle of committee meetings implemented.

Conflicts of Interest

The school maintains a conflicts of interests register where all Members and Trustees are required to declare interests. This is available to the general public to see via the Trust's website. Where necessary, Members, Trustees and Officers are excluded from meetings where issues are discussed relevant to the interest declared so the conflicts of interests are avoided. The Trust's business manager ensures that decisions in terms of procurement, recruitment and commercial matters are conducted so that conflicting interests are avoided, for example, by ensuring members, trustees or staff are not involved in the recruitment, procurement and/or commercial decisions where they may have a conflicting interest such as a family member. The Trust does not have any subsidiaries, joint ventures or associates and so conflicts on interest in this regard are not a risk to the Trust's governance.

The Finance and Staffing Committee is a sub-committee of the main Trustee Body. Its purpose is to assist the decision making of the board of trustees by ensuring sound management of the academy's finances and resources, including proper planning, monitoring and probity. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Christopher Draper	1	3
Andrew Ward	3	4
Bob Crozier	4	4
Thomas Roberts	3	4
Rachel Tate	3	4
Richard King	4	4
Alan Rankin	4	4

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy trust has delivered improved value for money during the year by ensuring ongoing ratios of staff to students and teachers to admin staff remain higher than average levels. This has been achieved by detailed timetabling of the curriculum and through a gradual move towards more efficient administration processes using IT systems where possible.

Cockermouth School Academy

Governance statement (continued)

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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Cockermouth School Academy for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements. The risk register is reviewed and updated regularly and reported to the Audit Committee.

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trustee Body;
- regular reviews by the Finance and Staffing 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;
- identification and management of risks.

The Trustee Body implemented recommendations from external reviews done in 2022/23 and plans to repeat these reviews in the 23/24 financial year. Progress against the recommendations from these reviews is monitored by the trustees. In addition the Trustees have allocated appropriate non-employed trustees to perform internal scrutiny reviews through the year. Internal reviews in Finance, HR and IT were conducted by trustees and management are implementing recommendations from these accordingly.

School buildings

The school has been accepted into the national school building programme and is in the early stages of feasibility towards a replacement school estate. The scope and scale of this is not yet developed although the school is working towards a whole school re-provision on the existing school site.

During the year, a visual survey commissioned nationally by the DfE identified RAAC present in small areas of the existing school estate. The trust commissioned its own invasive survey which concluded these areas were not RAAC and as such the school is not affected by the need to replace RAAC within its premises.

Cockermouth School Academy

Governance statement (continued)

The internal scrutineers report to the Trustee Body, through the audit committee on the operation of the systems of control and on the discharge of the Trustee Body's financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

There were no material control or other issues reported by the Internal Scrutineers to date.

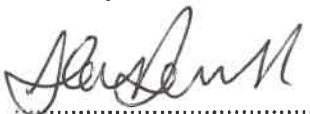
Review of effectiveness

As Accounting Officer, R King 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 Trustee reviewers and work to implement findings of external commissioned reviews;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the senior management team within the academy trust 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 Finance & Staffing 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 Trustee Body on 12 December 2023 and signed on its behalf by:



Alan Rankin
Trustee



Richard King
Trustee

Cockermouth School Academy

Statement of regularity, propriety and compliance

As accounting officer of Cockermouth School Academy I have considered my responsibility to notify the academy trust Trustee Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2022, including responsibilities for estates safety and management.

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



.....
Richard King, Trustee
Accounting officer

12 December 2023

Cockermouth School Academy

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

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


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

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

Approved by order of the members of the Board on 12 December 2023 and signed on its behalf by:



.....
Alan Rankin
Trustee



.....
Richard King
Trustee

Cockermouth School Academy

Independent Auditor's Report on the Financial Statements to the Members of Cockermouth School Academy

Opinion

We have audited the financial statements of Cockermouth School Academy (the 'Academy') for the year ended 31 August 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 (covers the Reference and administrative details, the Trustees' report and Strategic Report and the Governance statement)

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

Cockermouth School Academy

Independent Auditor's Report on the Financial Statements to the Members of Cockermouth School Academy (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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 18], the Trustees 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'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 or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

Cockermouth School Academy

Independent Auditor's Report on the Financial Statements to the Members of Cockermouth School Academy (continued)

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

- the nature of the industry and sector, control environment and business performance including the design of the Academy's remuneration policies and key drivers for the senior management team's remuneration.
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and involving relevant internal specialists, including tax and pensions regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the Academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Charities SORP, ESFA Accounts Direction, pensions legislation and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy's ability to operate or to avoid a material penalty. The key laws and regulations we considered in this context related to the Health and Safety Act, Employment Law and the Education Act.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing correspondence with HMRC; and

Cockermouth School Academy

Independent Auditor's Report on the Financial Statements to the Members of Cockermouth School Academy (continued)

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the Academy's Trustees, 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's trustees 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 and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Mike Kirsopp (Senior Statutory Auditor)
For and on behalf of Dodd & Co Audit Limited, Statutory Auditor

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
Carlisle
CA1 2RW

12 December 2023

Cockermouth School Academy

Independent Reporting Accountant's Assurance Report on Regularity to Cockermouth School Academy and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 9 December 2022 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 Cockermouth School Academy during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Cockermouth School Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Cockermouth School Academy 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 Cockermouth School Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Trustee Body's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Trustee Body's funding agreement with the Secretary of State for Education dated 27 August 2015 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 from 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

Cockermouth School Academy

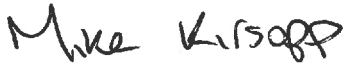
Independent Reporting Accountant's Assurance Report on Regularity to Cockermouth School Academy and the Education and Skills Funding Agency (continued)

The work undertaken to draw our conclusion includes:

- enquiries of the accounting officer and reviewing the statement on regularity, propriety and compliance provided by the accounting officer
- investigating whether any special payments to staff have been made, including compromise agreements and severance pay
- reviewing transactions with related parties and ensuring the requirements of Part 3 'Delegated authorities' of the Handbook have been followed
- reviewing minutes of meetings to ensure sound governance is applied
- evaluation of the internal control procedures in place, including systems of delegation and authorisation
- evaluating systems of procurement and ensuring they adhere to the limits set by the Academy and the ESFA.

Conclusion

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



.....
Mike Kirsopp

For and on behalf of Dodd & Co Audit Limited, Chartered Accountants

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
Carlisle
CA1 2RW

12 December 2023

Cockermouth School Academy

Statement of Financial Activities for the Year Ended 31 August 2023 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2022/23 Total £ 000
Income and endowments from:					
Donations and capital grants	3	9	38	71	118
Other trading activities	5	630	-	-	630
Investments	6	8	-	-	8
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	4	-	8,722	-	8,722
Other income	7	28	-	-	28
Total		<u>675</u>	<u>8,760</u>	<u>71</u>	<u>9,506</u>
Expenditure on:					
Raising funds	8	37	-	-	37
<i>Charitable activities:</i>					
Academy trust educational operations	9	548	8,564	316	9,428
Total		<u>585</u>	<u>8,564</u>	<u>316</u>	<u>9,465</u>
Net income/(expenditure)		90	196	(245)	41
Other recognised gains and losses					
Actuarial gains / (losses) on defined benefit pension schemes	26	-	1,423	-	1,423
Net movement in funds/(deficit)		90	1,619	(245)	1,464
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2022		<u>906</u>	<u>(1,510)</u>	<u>16,567</u>	<u>15,963</u>
Total funds carried forward at 31 August 2023		<u>996</u>	<u>109</u>	<u>16,322</u>	<u>17,427</u>

Cockermouth School Academy

Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2021/22 Total £ 000
Income and endowments from:					
Donations and capital grants	3	2	29	398	429
Other trading activities	5	634	-	-	634
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	4	-	8,142	-	8,142
Other income	7	23	-	-	23
Total		<u>659</u>	<u>8,171</u>	<u>398</u>	<u>9,228</u>
Expenditure on:					
Raising funds	8	38	-	-	38
<i>Charitable activities:</i>					
Academy trust educational operations	9	530	8,334	278	9,142
Total		<u>568</u>	<u>8,334</u>	<u>278</u>	<u>9,180</u>
Net income/(expenditure)		91	(163)	120	48
Other recognised gains and losses					
Actuarial gains / (losses) on defined benefit pension schemes	26	-	4,456	-	4,456
Net movement in funds		91	4,293	120	4,504
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		<u>815</u>	<u>(5,803)</u>	<u>16,447</u>	<u>11,459</u>
Total funds/(deficit) carried forward at 31 August 2022		<u>906</u>	<u>(1,510)</u>	<u>16,567</u>	<u>15,963</u>

Cockermouth School Academy
(Registration number: 09679536)
Balance Sheet as at 31 August 2023

	Note	2023 £ 000	2022 £ 000
Fixed assets			
Tangible assets	13	16,523	16,638
Current assets			
Debtors	14	225	207
Cash at bank and in hand		<u>1,496</u>	<u>1,195</u>
		1,721	1,402
Liabilities			
Creditors: Amounts falling due within one year	15	<u>(728)</u>	<u>(607)</u>
Net current assets		<u>993</u>	<u>795</u>
Total assets less current liabilities		17,516	17,433
Creditors: Amounts falling due after more than one year	16	<u>(89)</u>	<u>(93)</u>
Net assets excluding pension asset		17,427	17,340
Defined benefit pension scheme liability	26	<u>-</u>	<u>(1,377)</u>
Total net assets		<u>17,427</u>	<u>15,963</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	17	109	(133)
Restricted fixed asset fund	17	16,322	16,567
Pension reserve	17	<u>-</u>	<u>(1,377)</u>
		16,431	15,057
Unrestricted funds			
Unrestricted general fund	17	<u>996</u>	<u>906</u>
Total funds		<u>17,427</u>	<u>15,963</u>

The financial statements on pages 25 to 53 were approved by the Trustees, and authorised for issue on 12 December 2023 and signed on their behalf by:



Alan Rankin
Trustee



Richard King
Trustee

Cockermouth School Academy

Statement of Cash Flows for the year ended 31 August 2023

	Note	2023 £ 000	2022 £ 000
Cash flows from operating activities			
Net cash provided by operating activities	21	423	343
Cash flows from investing activities	22	<u>(122)</u>	<u>(73)</u>
Change in cash and cash equivalents in the year		301	270
Cash and cash equivalents at 1 September		<u>1,195</u>	<u>925</u>
Cash and cash equivalents at 31 August	23	<u><u>1,496</u></u>	<u><u>1,195</u></u>

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Accounting policies

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

Basis of preparation

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

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements 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 trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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

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

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

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Donations

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

Other income

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

Donated goods, facilities and services

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

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

Transfer on conversion

Upon conversion to an academy trust the trust entered into a 125 year lease with Cumbria County Council for the land and buildings of the school, which have been included on the balance sheet and in the SOFA based on the valuation provided by the ESFA, which is considered by the governors to be the fair value.

The Academy pays a peppercorn rent to a private landlord for the use of part of the Sporting fields. The Academy is not able to put a value on the benefit.

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Charitable activities

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

Tangible fixed assets

Assets costing £1,000 (£10,000 for property) or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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

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

Asset class

Long Leasehold Buildings
Plant and Machinery
Computer Equipment
Furniture and Equipment

Depreciation method and rate

straight line over 125 / 15 years
straight line over 5 to 15 years
straight line over 3 to 5 years
straight line over 3 to 5 years

Liabilities

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

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Pension benefits

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

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

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

Fund accounting

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

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

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

The Local Government Pension Scheme deficit is recognised against restricted general funds in order to match it against the GAG, in accordance with ESFA guidance.

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.

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

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 the notes to the accounts, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Agency accounting

The academy trust 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 trust does not have control over the charitable application of the funds. The trust 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 and paid and any balances held are disclosed in note 28.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to no limits at 31 August 2023 on the amount of GAG that could be carried forward from one year to the next.

3 Donations and capital grants

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Capital grants	-	-	71	71	373
Insurance receipts	-	-	-	-	12
Other donations	9	38	-	47	31
Donated fixed assets	-	-	-	-	13
	<u>9</u>	<u>38</u>	<u>71</u>	<u>118</u>	<u>429</u>

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

4 Funding for the Academy Trust's educational operations

	Restricted General Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Educational operations			
DfE/ESFA revenue grants			
General Annual Grant	6,353	6,353	6,192
16 - 19 Funding	1,113	1,113	985
Pupil Premium	170	170	153
Teachers' Pay Grant	-	-	14
Other DfE / ESFA grants	1	1	8
Teachers' Pension Grant	42	42	40
Rates Relief	45	45	37
Supplementary Grant	283	283	79
National Tutoring Programme	14	14	24
	<u>8,021</u>	<u>8,021</u>	<u>7,532</u>
Other government grants			
Local Authority - SEN & other	644	644	565
Covid-19 additional funding (DfE/ESFA)			
Covid-19 Catch-up Premium	57	57	21
Covid-19 Mass Testing	-	-	24
	<u>57</u>	<u>57</u>	<u>45</u>
Total grants	<u><u>8,722</u></u>	<u><u>8,722</u></u>	<u><u>8,142</u></u>

The academy received £57k of funding for catch-up premium. Costs incurred in respect of this funding totalled £57k.

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

5 Other trading activities

	Unrestricted Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Lettings/facilities income	64	64	49
Catering income	515	515	523
Service provision	25	25	31
Music provision	26	26	31
	<u>630</u>	<u>630</u>	<u>634</u>

6 Investment income

	Unrestricted Funds £ 000	2022/23 Total £ 000
Short term deposits	8	8
	<u>8</u>	<u>8</u>

7 Other charitable activities

	Unrestricted Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Transport - surplus scheme	15	15	15
Other sundry income	13	13	8
	<u>28</u>	<u>28</u>	<u>23</u>

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

8 Expenditure

	Non Pay Expenditure			2022/23 Total £ 000	2021/22 Total £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Expenditure on raising funds					
Allocated support costs	21	16	-	37	38
Academy's educational operations					
Direct costs	6,530	-	608	7,138	6,626
Allocated support costs	857	613	820	2,290	2,516
	<u>7,408</u>	<u>629</u>	<u>1,428</u>	<u>9,465</u>	<u>9,180</u>

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

8 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2022/23	2021/22
	£ 000	£ 000
Operating lease rentals	29	37
Depreciation	316	266
Fees payable to auditor - audit	7	7
- other audit services	1	2
	1	2

9 Charitable activities

	2022/23	2021/22
	£ 000	£ 000
Direct costs - educational operations	7,138	6,626
Support costs - educational operations	2,290	2,516
	9,428	9,142

	Educational operations	2022/23	2021/22
	£ 000	Total	Total
		£ 000	£ 000
Analysis of support costs			
Support staff costs	857	857	1,070
Depreciation	316	316	266
Premises costs	393	393	437
Legal costs - other	1	1	7
Other support costs	715	715	728
Governance costs	8	8	8
Total support costs	2,290	2,290	2,516

Included within governance costs are any costs (excluding legal costs which are shown separately) associated with the strategic as opposed to day-to-day management of the charity's activities. These costs will include any employee's benefits for trusteeship. The cost of charity employees involved in meetings with trustees, the cost of any administrative support provided to the trustees and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

10 Staff

Staff costs

	2022/23	2021/22
	£ 000	£ 000
Staff costs during the year were:		
Wages and salaries	5,477	4,960
Social security costs	546	495
Operating costs of defined benefit pension schemes	1,251	1,497
	7,274	6,952
Supply staff costs	134	184
	7,408	7,136

Staff numbers

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

	2022/23	2021/22
	No	No
Teachers	77	74
Administration and support	89	88
Management	8	8
	174	170

Higher paid staff

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

	2022/23	2021/22
	No	No
£60,001 - £70,000	6	3
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	1	-

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

10 Staff (continued)

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on pages 1 and 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 trust was £767,399 (2022: £688,831). The increase over the prior year primarily relates to an increase in the number of members of staff included in the senior management team.

11 Related party transactions - trustees' remuneration and expenses

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

Richard King (Headteacher and Trustee from 1/9/21):

Remuneration: £95,000 - £100,000 (2022 - £85,000 - £90,000)

Employer's pension contributions: £20,000 - £25,000 (2022 - £20,000 - £25,000)

During the year ended 31 August 2023, travel and subsistence expenses totalling £388 (2022 - £132) were reimbursed or paid directly to 1 trustee (2022 - 1).

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

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

12 Trustees' and officers' insurance

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

13 Tangible fixed assets

	Leasehold land and buildings £ 000	Plant and Machinery £ 000	Computer equipment £ 000	2022/23 Total £ 000
Cost				
At 1 September 2022	17,565	230	112	17,907
Additions	137	37	27	201
At 31 August 2023	<u>17,702</u>	<u>267</u>	<u>139</u>	<u>18,108</u>
Depreciation				
At 1 September 2022	1,111	89	69	1,269
Charge for the year	267	30	19	316
At 31 August 2023	<u>1,378</u>	<u>119</u>	<u>88</u>	<u>1,585</u>
Net book value				
At 31 August 2023	<u>16,324</u>	<u>148</u>	<u>51</u>	<u>16,523</u>
At 31 August 2022	<u>16,454</u>	<u>141</u>	<u>43</u>	<u>16,638</u>

14 Debtors

	2023 £ 000	2022 £ 000
Trade debtors	14	17
VAT recoverable	38	32
Prepayments and accrued income	173	158
	<u>225</u>	<u>207</u>

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Creditors: amounts falling due within one year

	2023	2022
	£ 000	£ 000
Trade creditors	140	135
Other taxation and social security	364	241
ESFA loan	9	9
Other creditors	4	-
Accruals	134	147
Deferred income	77	75
	728	607

	2023	2022
	£ 000	£ 000
Deferred income		
Deferred income at 1 September 2022	75	25
Resources deferred in the period	77	75
Amounts released from previous periods	(75)	(25)
Deferred income at 31 August 2023	77	75

At the balance sheet date, the academy trust was holding funds received in advance from the ESFA and Local Authority for the following financial year.

16 Creditors: amounts falling due in greater than one year

	2023	2022
	£ 000	£ 000
ESFA loan	89	93

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

17 Funds

	Balance at 1 September 2022 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2023 £ 000
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant	(133)	7,466	(7,224)	-	109
Pupil Premium	-	170	(170)	-	-
Other grants	-	1,030	(1,030)	-	-
Donations	-	38	(38)	-	-
Covid-19 Catch-up Premium	-	56	(56)	-	-
<i>Restricted fixed asset funds</i>					
Transfer on conversion	15,313	-	(147)	-	15,166
DfE capital grants	1,155	71	(150)	-	1,076
Donated laptops	33	-	(10)	-	23
Insurance receipts	66	-	(9)	-	57
<i>Pension reserve funds</i>					
Pension Reserve	(1,377)	-	(46)	1,423	-
Total restricted funds	15,057	8,831	(8,880)	1,423	16,431
<i>Unrestricted general funds</i>					
Unrestricted funds	906	675	(585)	-	996
Total unrestricted funds	906	675	(585)	-	996
Total funds	15,963	9,506	(9,465)	1,423	17,427

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

17 Funds (continued)

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

	Balance at 1 September 2021 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2022 £ 000
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant	(444)	7,177	(6,866)	-	(133)
Pupil Premium	-	153	(153)	-	-
Other grants	-	767	(767)	-	-
Donations	15	29	(44)	-	-
Covid-19 Catch-up Premium	42	21	(63)	-	-
Covid-19 Mass Testing	29	24	(53)	-	-
<i>Restricted fixed asset funds</i>					
Transfer on conversion	15,460	-	(147)	-	15,313
DfE capital grants	882	373	(100)	-	1,155
Donated laptops	30	13	(10)	-	33
Insurance receipts	75	12	(21)	-	66
<i>Pension reserve funds</i>					
Pension Reserve	<u>(5,445)</u>	<u>-</u>	<u>(388)</u>	<u>4,456</u>	<u>(1,377)</u>
Total restricted funds	<u>10,644</u>	<u>8,569</u>	<u>(8,612)</u>	<u>4,456</u>	<u>15,057</u>
<i>Unrestricted general funds</i>					
Unrestricted funds	<u>815</u>	<u>659</u>	<u>(568)</u>	<u>-</u>	<u>906</u>
Total unrestricted funds	815	659	(568)	-	906
Total endowment funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u>11,459</u>	<u>9,228</u>	<u>(9,180)</u>	<u>4,456</u>	<u>15,963</u>

The academy trust is not subject to GAG carried forward limits.

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

17 Funds (continued)

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

Restricted general funds are used for educational purposes in line with the Academy's objectives and its funding agreement with the DfE.

Restricted fixed asset funds will be reserved against future depreciation charges and capital expenditure. There were £0 unspent capital grants as at 31 August 2023.

Unrestricted funds are available for use at the discretion of the Governors for the furtherance of the academy's charitable objects.

The trust is carrying a surplus of £109,000 on restricted general funds (excluding pension reserve) plus a surplus on unrestricted funds of £996,000 giving an overall net surplus of £1,105,000.

18 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	16,523	16,523
Net current assets	996	198	(201)	993
Creditors over 1 year	-	(89)	-	(89)
Total net assets	996	109	16,322	17,427

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	16,638	16,638
Net current assets	906	(40)	(71)	795
Creditors over 1 year	-	(93)	-	(93)
Pension scheme liability	-	(1,377)	-	(1,377)
Total net assets	906	(1,510)	16,567	15,963

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

19 Capital commitments

	2023	2022
	£ 000	£ 000
Contracted for, but not provided in the financial statements	<u>222</u>	<u>178</u>

20 Long-term commitments, including operating leases

Operating leases

At 31 August 2023 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023	2022
	£ 000	£ 000
Amounts due within one year	26	24
Amounts due between one and five years	<u>63</u>	<u>3</u>
	<u>89</u>	<u>27</u>

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

21 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2023	2022
	£ 000	£ 000
Net income	41	48
Depreciation	316	266
Capital grants from DfE and other capital income	(71)	(385)
Interest receivable	(8)	-
Defined benefit pension scheme service costs	(19)	285
Defined benefit pension scheme finance cost	65	103
Increase in debtors	(18)	(49)
Increase in creditors	117	75
	<u>423</u>	<u>343</u>
Net cash provided by Operating Activities	<u>423</u>	<u>343</u>

22 Cash flows from investing activities

	2022/23	2021/22
	£ 000	£ 000
Dividends, interest and rents from investments	8	-
Purchase of tangible fixed assets	(201)	(458)
Capital funding received from sponsors and others	71	385
	<u>(122)</u>	<u>(73)</u>
Net cash used in investing activities	<u>(122)</u>	<u>(73)</u>

23 Analysis of cash and cash equivalents

	2023	2022
	£ 000	£ 000
Cash in hand and at bank	1,496	1,195
	<u>1,496</u>	<u>1,195</u>
Total cash and cash equivalents	<u>1,496</u>	<u>1,195</u>

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

24 Analysis of changes in net debt

	At 1 September 2022 £ 000	Cash flows £ 000	Other non-cash changes £ 000	At 31 August 2023 £ 000
Cash	1,195	301	-	1,496
Loans falling due within one year	(11)	-	2	(9)
Loans falling due after more than one year	(91)	-	2	(89)
	<u>(102)</u>	<u>-</u>	<u>4</u>	<u>(98)</u>
Total	<u>1,093</u>	<u>301</u>	<u>4</u>	<u>1,398</u>

25 Member liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before they ceased to be a member.

26 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both 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.

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

26 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% 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 £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the period amounted to £871,017 (2022: £815,119).

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £430,346 (2022 - £481,914), of which employer's contributions (including deficit recovery contributions) totalled £331,215 (2022 - £396,828) and employees' contributions totalled £99,131 (2022 - £85,086). The agreed contribution rates for future years are 20.1 per cent for employers and 5.5 per cent to 12.5 per cent for employees.

The academy is making deficit recovery contributions of £106,500 (20/21), £109,100 (21/22) and £111,700 (22/23) over three years.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust 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.

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

26 Pension and similar obligations (continued)

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	4.30	4.30
Rate of increase for pensions in payment/inflation	2.90	2.90
Discount rate for scheme liabilities	5.30	4.30
Inflation assumptions (CPI)	2.80	2.80

The actuary's view is that expected future CPI can be derived by deducting a margin for inflation risk premium of around 1.2% p.a. up to 2030 (when the RPI formula will become consistent with the calculation of CPIH) and 0.5% p.a. after that date. The resulting CPI assumption will vary depending on the duration bucket of the employer (as for longer durations a greater proportion of benefits will be payable after 2030, when RPI will have been aligned with CPIH). The inflation rate used in the assumptions is much lower than the current high inflation rates seen in the UK as it is expected that they will be of a short term nature. On this basis it was not considered necessary to seek revised valuations which incorporated a higher inflation assumption.

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

	2023	2022
Retiring today		
Males retiring today	21.40	22.60
Females retiring today	23.80	25.30
Retiring in 20 years		
Males retiring in 20 years	22.70	24.10
Females retiring in 20 years	25.60	27.10

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

26 Pension and similar obligations (continued)

Sensitivity analysis

	2023	2022
	£ 000	£ 000
Discount rate +0.1%	(116)	(154)
Discount rate -0.1%	118	157
Mortality assumption – 1 year increase	126	145
Mortality assumption – 1 year decrease	(124)	(142)
CPI rate +0.1%	118	157
CPI rate -0.1%	<u>(116)</u>	<u>(154)</u>

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

	2023	2022
	£ 000	£ 000
Equities	2,595	1,942
Government bonds	867	820
Property	539	560
Cash and other liquid assets	150	179
Other	<u>2,676</u>	<u>2,277</u>
Total market value of assets	<u>6,827</u>	<u>5,778</u>

The actual return on scheme assets was £278,000 (2022 - (£412,000)).

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

26 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2022/23	2021/22
	£ 000	£ 000
Current service cost	381,000	682,000
Interest income	(257,000)	(102,000)
Interest cost	308,000	193,000
Admin expenses	14,000	12,000
	<u>446,000</u>	<u>785,000</u>
Total amount recognised in the SOFA	<u>446,000</u>	<u>785,000</u>

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

	2022/23	2021/22
	£ 000	£ 000
At start of period	7,155	11,272
Current service cost	381	682
Interest cost	308	193
Employee contributions	99	85
Actuarial (gain)/loss	(1,487)	(4,969)
Benefits paid	(94)	(108)
	<u>6,362</u>	<u>7,155</u>
At 31 August	<u>6,362</u>	<u>7,155</u>

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

	2022/23	2021/22
	£ 000	£ 000
At start of period	5,778	5,827
Interest income	257	102
Actuarial gain/(loss)	401	(513)
Employer contributions	400	397
Employee contributions	99	85
Benefits paid	(94)	(108)
Administration expenses	(14)	(12)
	<u>6,827</u>	<u>5,778</u>
At 31 August	<u>6,827</u>	<u>5,778</u>
Restriction of scheme assets (surplus not recognised)	465	-
Amended scheme assets at 31 August	<u>6,362</u>	<u>5,778</u>

At the balance sheet date the pension valuation estimated the pension was in a net asset position of £465,000. This asset has not been recognised in the financial statements as the asset does not meet the criteria to be recognised under FRS 102. The Academy is part of a pooled LGPS with a minimum funding requirement in the scheme and any refund from the scheme is not possible unless there is a surplus on exit.

Cockermouth School Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

27 Related party transactions

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

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 11.

28 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the academy trust received £22,507 and disbursed £23,940 from the fund. An amount of £16,025 is included in other creditors relating to undistributed funds.

Comparatives for the accounting period ending 31 August 2022 are £20,356 received, £19,861 disbursed and £17,458 included in other creditors.

