

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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EXMOUTH COMMUNITY COLLEGE
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	L Brown C Babbage A Maddaford R Worrell M Turgoose (resigned 19 September 2023) J Hill (appointed 19 September 2023)
Trustees	A Davis, Headteacher (resigned 31 August 2023) L Miszewska (resigned 31 March 2023) E Lee E McGrath, Vice Chair M Turgoose, Chair (resigned 19 September 2023) P Wales E Dymond G Bowen (resigned 25 September 2023) A Phillips J Hill, Chair D Wilkerson C Wellington-Smith L Woodward-Drake J Cain (appointed 20 October 2022, resigned 3 February 2023) P Netherton (appointed 19 October 2022, resigned 21 July 2023) R Gray (appointed 20 October 2022, resigned 28 November 2022) R Oates (appointed 3 January 2023, resigned 21 July 2023) T Inman, Headteacher (appointed 1 September 2023) C Fegan (appointed 20 October 2022) K Knight (appointed 4 September 2023) R Haywood (appointed 4 September 2023) A White (appointed 6 October 2023) L Meadowcroft (appointed 19 October 2023) S Pickering (appointed 19 October 2023)
Company registered number	07554085
Principal and registered office	Exmouth Community College Gipsy Lane Exmouth EX8 3AF
Company secretary	M Burrell
Chief executive officer	A Davis (resigned 31 August 2023) T Inman (appointed 1 September 2023)
Senior management team	T Inman, Headteacher (appointed 01 September 2023) A Davis, Headteacher (resigned 31 August 2023)

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

D Turner, Deputy Headteacher
L Malton, Deputy Headteacher
K Craddock, Assistant Headteacher (resigned 18 April 2023)
D Holt, Assistant Headteacher
A Dyer, Assistant Headteacher (from 19 April 2023)
H Miles, Assistant Headteacher
N Smith, Assistant Headteacher
P Rowe, Assistant Headteacher
F O'Rourke, Assistant Headteacher
M Burrell, Director of Finance and Resources

Independent auditors Griffin
Chartered Accountants
Courtenay House
Pynes Hill
Exeter
EX2 5AZ

Bankers Lloyds Bank PLC
22 The Stand
Exmouth
Devon
EX8 1AG

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

EXMOUTH COMMUNITY COLLEGE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

The Trust operates as a stand alone secondary academy for pupils aged 11 to 18 in Exmouth. It has a pupil capacity of 2650 and had a roll of 2202 in the school census in October 2023.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the Academy.

The Trustees of Exmouth Community College are also the directors of the charitable company for the purposes of company law.

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.

b. Members' liability

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

c. Trustees' indemnities

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, error or omissions occurring whilst on Academy business.

d. Method of recruitment and appointment or election of Trustees

The Academy's Board of Trustees comprises the Headteacher, a minimum of 2 Parent Trustees, up to 5 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees) up to 1 LA trustee and up to 12 other Trustees.

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

When appointing new Trustees, the Board gives consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development. The board also considers diversity when recruiting new Trustees and when recently appointing new community governors used a variety of sources including Inspiring Governance and social media.

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

Structure, governance and management (continued)

e. Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience, but will always include a tour of the Academy and a chance to meet the Headteacher, staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets and other documents they will need in order to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction can be tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies. Each new Trustee is assigned a mentor.

There is a Trustees' day organised each year as well as Safeguarding, Prevent and GDPR training to keep the Trustees updated on relevant developments impacting on their roles and responsibilities. Trustees are encouraged to attend any relevant training offered by the LA or other providers. The training attended is reviewed each year to ensure that Trustees are up to date with what they need to know.

f. Organisational structure

The Board of Trustees normally meets twice each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale. Any powers delegated to committees are clearly defined in their terms of reference and there is a rolling programme established each year for all the committees and the Governing Board to ensure meetings are effective.

The committees are as follows;

- **Resources Committee** – Reviews all aspects in relation to the financial management/performance of the College and the Asset Management of the College. It meets six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and receiving reports from the Responsible Officer/internal audit and reviewing the annual budget including setting staffing levels.
- **Curriculum Committee** - meets five times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- **Admissions Committee** - meets twice a year to deal with all matters relating to admissions.
- **Human Resources Committee** – meets at least once a term to monitor, evaluate and review Academy policy, practice and performance in relation to staffing, including appraisal, pay and employment issues, and to ensure compliance with employment legislation and relevant local agreements.
- **Audit and Risk Committee** – meets three times a year to provide the Board of Trustees with the necessary assurances and quality control and also reviews and updates the risk register.
- **Pay Committee** – meets twice a year to approve teachers' salaries following recommendations from the Headteacher / Senior Leadership Team, on whether to award performance pay in line with the College's policy. Membership of the Pay Committee complies with the requirement that at least one member must be different from the PAPR panel.

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

Structure, governance and management (continued)

- **Pay Appeals Committee** – to hear an appeal against any decision made by the Headteacher or any other committee of the governing board in accordance with the College's Pay Policy.
- **Headteacher's Performance Management Group** – meets three times each year to undertake the Headteacher's appraisal.
- **Other Committees** such as the First Committee (staff discipline), the Complaints Committee and Pupil Discipline Committee who meet on an as and when required basis.

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

The Trustees are responsible for setting the vision for the Academy, establishing general policy, adopting an annual academy improvement plan, setting a five-year budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, agreeing capital expenditure and staff appointments.

The Board of Trustees has devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, two Deputy Headteachers, six Assistant Headteachers and a Director of Finance and Resources. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Headteacher is the Accounting Officer.

g. Arrangements for setting pay and remuneration of key management personnel

The pay and conditions of service for the Headteacher, the SLT and the Director of Finance will be in accordance with the regulations applied to the National Negotiated Terms by the School Teachers' Review Body (STRB) outlined in the School Teachers' Pay and Conditions Document (STPCD) and terms agreed by Local Authorities for teachers and support staff who form the management team.

The performance and pay of the Headteacher is monitored and evaluated annually by the Headteacher's Appraisal and Pay Review (PAPR) panel which is elected by the Trustees. The panel employ an independent advisor to provide input and advice to this process.

The SLT are appraised and rewarded following National and Local Authority Guidelines.

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

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

The pay of key management personnel is reviewed annually and normally increased in accordance with national pay increases.

The Trustees benchmark against pay levels in other Academies of a similar size.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time **£**

Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:	- %
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(Total hours spent on paid trade union activities by relevant union officials during the relevant period / Total paid facility time hours) x 100

i. Related parties and other connected charities and organisations

The Academy has strong collaborative links with 14 partner primary schools which form part of the Exmouth Learning Community.

Leisure East Devon has part use of the Academy's leisure facilities and there is a shared use agreement between it and the Academy.

In order to deliver an outstanding learning experience for our students the College also has informal links or uses services provided by the South West Institute for Teaching, Leading Schools South West, Future Smart Careers, Coachbright, Scomis/4Matrix and the social thanking platform Thank and Praise Ltd.

In addition from September 2022 the College entered into a trust partnership with Education South West, as agreed by the Department for Education's SW Regional Director.

There are no related parties which either control or significantly influence the decisions and operations of Exmouth Community College. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

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

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

The governing board is committed to the elimination of discrimination and equal treatment in employment. This applies to all stages of employment including recruitment, selection, learning and training, pay, working relationships, carer development, redundancy and retirement. This commitment is clearly demonstrated and referred to in the many of the Academy Trust policies. No one will unlawfully be disadvantaged on the grounds of age, race or ethnicity, disability, gender and marital status, gender identity, sexual orientation, religion or belief under the operation of this policy.

k. Engagement with suppliers, customers and others in a business relationship with the Academy

We are committed to fostering an excellent working relationship with all our stakeholders and working closely with all to ensure that we provide the best possible education for every child. We ensure that relationships developed are professional in nature and in the best interests of the Academy.

Objectives and activities

a. Objects and aims

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on academic achievement, outstanding pastoral support and inclusion.

b. Objectives, strategies and activities

Key activities and targets were identified in the Academy Improvement Plan 2022/23 (AIP) through the self-evaluation that was undertaken at a senior level following the publication of results in 2022 (Assessment Awarded Grades) and links to action points detailed in the March 2021 and July 2021 OFSTED reports.

Clearly, the post-Covid environment that we have been operating within since March 2020 has greatly affected the delivery of the priorities outlined below. The past year has continued to see significant challenges surrounding attendance, mental health and behaviour.

The Academy Improvement Plan 2022/23 and self-evaluation form were shared with, and agreed by, the Governing Board in Autumn 2022. Our Risk Register and Ofsted inspection handbook also play an important part in deciding on our priorities for development.

Our AIP continued to focus on developmental areas that we have identified through our data and Schools Evaluation Form in conjunction with our most recent Ofsted report. The two broad themes of development within the AIP were:

Key Theme 1: Promotion of a healthy culture:

An environment within which all students and staff are able to thrive while being appropriately challenged, supported and encouraged to reflect on their practice

Key theme 2: Improving progress to achieve more:

Every student, regardless of ability, background or need, experiences consistently high-quality teaching, learning and assessment

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

Throughout the year the Director of Finance & Resources and his Finance team continued to receive exemplary audit reports. The College achieved a small surplus during the year and are in a financially secure position moving forward subject to additional heating costs and staff wage increases.

Pleasingly, despite Covid and recruitment issues in the construction sector, we continued to complete our £13.5 million new build and Dance studio refurbishment on the Green Close. We also progressed work on a new £4 million Maths block as well as completing refurbishment of a significant number of classrooms in the Telfer building and the old Maths / Computing block.

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

The Academy will also continue to work with partner schools and teaching Schools Alliances to improve the educational opportunities for students in the wider community and ensure seamless transition for our students when they enter year 7. This includes making an application to the DfE Regions Group for consent to join the Education South West Multi-Academy Trust.

The Academy is in the process of selling the redundant cottage on the Gipsy Lane site and look forward to receiving the income for reinvestment in the Estate in the future.

c. Public benefit

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

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

Strategic report

Achievements and performance

GCSE outcomes

The provisional Attainment 8 figure for GCSE outcomes is 41.93. 59% of students achieved a standard pass in English and Maths.

These figures are not comparable to outcomes from the last three years due to the change in the process of awarding grades.

The results show that there are some clear areas of strength, with many students performing at or above expectation. However, there remain a number of areas for development. The strengthening of the curriculum in lower years should act as a bedrock for improvement over coming years.

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

Strategic report (continued)

Achievements and performance (continued)

Post-16 outcomes

The use of progress data for post 16 outcomes is unreliable since the starting points for these students was during a time when GCSE grades were awarded according to a different assessment model.

However, we can see an improvement in the attainment of post 16 students relative to the last 'comparable' data set, notably at A*-A grades. A*-C grades and A*-E grades remain in line with the national average performance.

Vocational outcomes at Level 3 were very strong, with over 50% of grades achieving Distinction or Distinction 'Star' grades.

Once again students secured a wide range of outcomes after studying with us including a range of apprenticeships, employment and university places across the country.

Recruitment into the College has also remained strong with an almost 'full' cohort of 380 students joining the college in September 2023 and an increase in Sixth Form recruitment to 185 in Year 12. The total College population is approximately 2210 as of September 2023.

a. Key performance indicators

Key Performance Indicators/ ICFP Metrics as reported As at 31 August 2023
in monthly management accounts

Total Teaching Staff Costs as a % of Total Income	51%
Support Staff as a % of Total Income	31%
Total Staff Costs as a % of Total Income	82%
Total Energy Costs as a % of Total Income	1.73%
Deficit/Surplus (achieved month 12 vs month 1 budget)	195,158 revenue surplus / 79,159 revenue deficit

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention - the amount of carry forward is restricted to 12% the restriction has been removed in the year. In the period under review, £Nil was carried forward.

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

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. In coming to its determination, the board of trustees regularly reviews future financial forecasts prepared by the trust for a period of five-years, these financial forecasts include future expected student numbers within the locality and known or anticipated changes within the trust. The board of trustees also review monthly management account information including cash flow forecasts to ensure the liquidity of the trust. The board of trustees deem that sufficient reserves exist to cover anticipated shortfalls or in-year deficits. For this reason, the board of trustees continues to adopt the going concern basis in preparing the financial statements.

However, it is recognised and pending a formal agreement, a decision to join a multi-academy trust, in 2024 would result in the trust ceasing to exist as a single entity.

c. Promoting the success of the company

The trustees are responsible for promoting the success of the charity to achieve its charitable purposes, in line with the Objects and Aims of this trustee's report. The main purpose of the Academy is to advance for the public benefit the education of young people. In doing so it is the custodian of significant amounts of public funding, has responsibility for over 2,000 young people as well as a large body of staff. As such trustees are very mindful of their obligations under section 171(1)(a) to (f) of the Companies Act 2006 to act in a way most likely to promote the success of the company and its charitable purposes. In doing so they have regard to:

- the likely consequences of any decision in the long term by ensuring such decisions set out in the strategic plan are in line with the Academy core values and are informed by its risk management strategy;
- the interests of its employees by ensuring fair and equitable pay and conditions via the work of the HR and Resources committee, communicating and listening to staff which are considered by the Board, supporting flexible working requests where possible, promoting wellbeing, reducing workload where possible and fostering positive relationships with union bodies;
- the need to foster the company's business relationships with suppliers, customers, and others. Trustees understand the importance of maintaining productive relationships with all stakeholders;
- the impact of the company's operations on the community and the environment by fostering relations wherever possible with local community bodies or by simply allowing the Academy sports facilities (and other facilities) to be used by the community out of hours; and
- the desirability of the company maintaining a reputation for high standards of business conduct by promoting a culture of openness and transparency in all its dealings. All underpinned by its Conflicts of Interest Policy and robust challenge of any Related Party Transactions (where appropriate).

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

Strategic report (continued)

Achievements and performance (continued)

Financial Review

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

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

During the year ended 31 August 2023, the Academy received total revenue income of £15,122,349 and incurred total expenditure of £14,927,191 (excluding the pension reserve balance and depreciation). The excess of income over expenditure for the year was £195,158 (this is quoted prior to capital transfers).

At 31 August 2023 the net book value of fixed assets was £40,075,371 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 31 August 2013 at £25,504,593. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 28 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending.

The Trustees have appointed an Internal Auditor to undertake a programme of internal checks on the financial controls and other risk areas. During the year, the Trustees have received two internal audit visits from the Internal Auditor, one visit related to key financial controls and the other relating to Health, Safety and Compliance, both of which contained no matters of significance.

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

Strategic report (continued)

Achievements and performance (continued)

Financial Performance

Financial control continues to be strong. Throughout the year the academy robustly managed its budget which resulted in a revenue (not capital) surplus of £195,158, before capital investment, against the approved budget deficit of £79,158. The Academy also undertook an Integrated Curriculum Financial Planning (ICFP) review in the previous year, with further work taking place in 2023-24.

Moving forward and considering the increases to Education funding the College is in a good financial position. However, the impact of the above inflation pay awards for both teachers and support staff continue to have a significant impact on the College budget and reserves. In addition, the areas where income is self-generated will require particular focus over the coming year to ensure these do not run at a loss due to inflationary cost pressures.

The College submitted all Academy funding returns in line with key dates outlined in the Academy planning calendar produced by the Education & Skills Funding Agency. In addition, the College continues to receive excellent feedback from internal auditors.

a. Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately £1,000,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants with the large capital projects currently being undertaken. In year, Trustees reviewed carefully the amount of free reserves and transferred £509,870 to the restricted fixed asset fund to fund significant building refurbishments and capital projects in-year. In addition, further expenditure is planned in 2023-24 to the approx. value of £150,000 to refurbish the Footbridge, and a further £200,000 to upgrade the College dining facilities. Also, additional expenditure from Reserve is expected to the approximate value of £50,000, to continue the roll out of the College wide Wi-Fi and CCTV projects.

The remainder of the Reserve is needed to provide a cushion to deal with unexpected emergencies such as urgent maintenance as well as mitigating the impact in reductions or increases in student numbers and forecasted in-year deficit budget positions.

Total reserves of the academy amount to £40,840,776 although £40,075,371 of this is invested in fixed assets or represents non-GAG restricted funds. This also includes the pension deficit reserve of £1,041,000. The remaining £1,806,405 is the balance that the Trustees monitor in accordance with the Boards reserve policy.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy trust is paying higher employers' contribution over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income.

Whilst the deficit will not be immediately eliminated, there should be no immediate actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

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FOR THE YEAR ENDED 31 AUGUST 2023

b. Investment policy

All funds surplus to immediate requirements are invested to optimal effect. On a daily basis this is achieved by automatic transfer of surplus funds to overnight deposit. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods. The College invested £500,000 in a 32-day notice account and a further £100,000 is invested daily. These amounts were carefully considered given the level of free reserves whilst making payments for large capital projects and the impact on cashflow. Both these investments have been concluded.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and Director of Finance and Resources within strict guidelines approved by the Board of Trustees.

c. Principal risks and uncertainties

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

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

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 92.7% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

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

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

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

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

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

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

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

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. However, the reduction in post 16 funding levels, the real-time reduction of the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and estate costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial position, formally, six times a year, although management accounts are produced monthly. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Resources Committee meetings. The Trustees also regularly review cash flow forecasts, investments, balance sheet and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The trustees are aware of their responsibilities to ensure the Academy's estate is safe, well-maintained and complies with relevant regulations. In doing so, they have approved a 3-year Strategic Estate and Facilities Plan, commissioned a Health, Safety and Environment review as part of the work of the Internal Auditor. In addition, receive regular reports through committees regarding the compliance of the Estate and also measure performance and self-assess against the Good Estates Management in Schools (GEMS) guidance.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 28 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

Fundraising

Where possible the Academy looks to generate additional funds and this is undertaken internally by staff using the local authority Devon funding news to review what sources of funding are available to Schools and Colleges. In addition, we are working with Future First to establish an alumni database which will primarily be used for careers work but may also be a source of voluntary contributions in the future. The College has been successful with sourcing additional funding of £188,676 in 2022-23 from the ESFA Condition Improvement Fund.

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
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Energy consumption used to calculate emissions (kWh)	1,953,014	2,037,387
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Energy Consumption break down (kWh)

Gas	1,166,089	1,201,408
Electricity	774,982	822,378
Transport Fuel	11,944	13,601

Scope 1 emissions in metric tonnes CO2e

Gas Consumption	212.88	220.04
Owned Transport - Minibuses	4.81	3.49

Total Scope 1	217.7	223.53
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Scope 2 emissions in metric tonnes CO2e

Purchased electricity	160.47	174.61
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Scope 3 emissions in metric tonnes CO2e

Business travel in employee owned vehicles	0	0
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<u>Total gross emissions in metric tonnes CO2e</u>	378.17	398.15
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Intensity Ratio

Tonnes CO2e per pupil	0.17	0.17
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Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

EXMOUTH COMMUNITY COLLEGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

Our Academy Improvement Plan for 2022/23 will be especially based on:

- Develop a new, coherent school vision to align culture and strategy
- Continue to build an ambitious, high quality curriculum across all subjects for all students
- Review and develop use of T&L framework to support high quality teaching across the school
- Further embed referral, assessment, identification and review of SEND need
- Build expertise in Universal Provision to cater better for SEND needs in classroom
- Develop co-ordinated programme of graduated response interventions
- Build relational approaches to support positive behaviours, accessing support as required
- All staff better equipped and supported in managing challenging behaviour in / out of classrooms
- Update sanctions systems / policies/ spaces, including RTL. Re-launch, monitor and refine
- Review current pastoral system / structure / capacity; implementation plan for any changes.

Estate Development

Trustee approved a new 3-year Strategic Estate and Facilities Plan. This plan sets out the Vision for the estate:

- To provide a safe, secure, clean, and stimulating teaching & learning environment with reduced environmental impact, giving a compliant and environmentally friendly space fit for future generations.
- To ensure work on the estate, including the buildings and grounds, are completed to the highest possible quality and standard.
- To support the delivery of our College curriculum to ensure excellent outcomes for our students.
- To share estate resources in our community, making it available for the provision of sporting and other activities.
- To be financially disciplined and ensure spending on our estate is prioritised within the available budget.

To achieve the vision the strategy is split into six areas (Investment, Safe and Secure Buildings, Fit for Purpose, Quality and Uniformity, Digital Infrastructure and Financially Disciplined).

In terms of development over the year; the Academy continues to work in partnership with the Education & Skills Funding Agency to deliver the successful Priority Schools Building Programme Two (PSBP2) project estimated at £12 million. Work on this project started in January 2021, is progressing well with the main building (Phase 2) handed over in April 2023. Further work continues including the demolition of the life-expired existing buildings and the ground works on the site where the buildings have been demolished (phase 3 of the PSBP2 project). Phase 3 should conclude by end of December 2023.

In addition to the PSBP2 project, Phase 2 of the Maths building (with a value estimated at £4 million) provides a further eight classrooms (agreed by East Devon District Council and Devon County Council) and started onsite in July 2022, the project was handed over in October 2023 and teaching will begin in the building from late October 2023.

We were delighted to be awarded Condition Improvement Funding (CIF) in the summer of 2020 to upgrade heating systems across the College to the sum of £303,408 and again in the summer of 2021 to provide a new roof, doors, windows, and re-rendering to one of our oldest buildings on the Green Close site at the sum of £149,191. The CIF grant application for the Dance Studio on the Green Close site, to the value of £188,000, was successful with works completed in December 2022. The College submitted a further CIF to re-roof the Telfer Building, with associated making good works, in December 2022, however this project unfortunately was not

EXMOUTH COMMUNITY COLLEGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods (continued)

successful. In the light of this decision taken by the ESFA, Governors took the decision to self-fund the project due to the urgent nature of the works. Works started late July 2023 and concluded early September 2023. The Telfer Building is now free of roof leaks with the top floor classrooms completely refurbished.

In addition, Governors took the decision to self-fund the refurbishment of the existing Maths Classrooms which included new LED lighting, ceiling grids, painting and decorating throughout, new floor coverings and new furniture. These rooms will be used by our Geography team from late October 2023, when the Maths team move into their new Phase 2 facilities.

Having previously responded to the Department for Education's (DfE) requests for assessing areas of potential Reinforced Autoclaved Aerated Concrete (RAAC). An update to government guidance led us to carry out a review and a survey of a small number of areas that had not previously been identified as at risk. This has confirmed the presence of RAAC in one small part of the Gipsy Lane site, which is an extension to an older building and affects four Science Laboratories. In line with the updated guidance, the DfE were informed, and the area was closed. Whilst RAAC is present; our surveyor is content that the building is showing no signs of failure, and therefore whilst we will not use the space there is no immediate danger. We are continuing to work with the DfE and other partners to remediate the situation.

The College continues to prioritise investment into the estate with further projects due for consideration in 2023-24, which are in-line with the vision and strategy set out in our development plan. This includes the refurbishment of the Foot Bridge, further development of the College wide CCTV system and, a potential investment in the student dining facilities to enlarge the current facilities. In addition, the disposal of the 'Cottage' is continuing with those funds being re-investment in the College capital development programme.

IT Developments

The College is currently working through the aims and objectives of its five-year IT strategy. Over this period the College will be flooding the College with Wi-Fi technologies to better support mobile devices. Work on the infrastructure and cabling elements of this project were completed over the last summer holidays, with access point installed and more to follow in 2023-24. The College has been working through the CCTV development plan and has so far rolled out 50+ cameras across the site to support and safe and secure buildings.

In addition, the College is further developing its use of cloud-based technologies such as Microsoft Office 365, SharePoint, OneDrive, and Microsoft Teams to further support teaching and learning across the College. A number of onsite servers were upgraded during the summer of 2023. In addition, a number of PCs were upgraded or replaced and projectors changed out for touch-screens.

Funds held as custodian on behalf of others

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

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

EXMOUTH COMMUNITY COLLEGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Auditors

The auditors, Griffin, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on *21st November 2023* and signed on its behalf by:



J Hill
(Chair of Trustees)

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 8 times during the year.

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

Trustee	Meetings attended	Out of a possible
M Turgoose, Chair	8	8
J Hill	7	8
E McGrath, Vice Chair	5	8
A Davis, Headteacher	8	8
L Miszewska	4	4
E Lee	8	8
P Wales	6	8
E Dymond	7	8
G Bowen	3	8
A Phillips	3	8
D Wilkerson	7	8
C Wellington-Smith	7	8
L Woodward-Drake	4	8
J Cain	1	2
P Netherton	5	6
R Gray	0	0
R Oates	5	5
C Fegan	5	6
L Meadowcroft	0	0
S Pickering	0	0

The Governing Board reviews its processes and impact, as a Governing Board, on an ongoing basis. Specifically, this year the following were undertaken:

1. Two internal audit visits were undertaken by the Responsible Officer during 2022-2023, see below for details of the areas covered, there were no recommendations made.
2. In order to ensure that we have an effective Governing Board, we review the skills of the Governing Board on an annual basis, based on the skills audit (recommended by the National Association of Governors). This informs plans for training to be undertaken by individuals. It also inputs to discussions about where there might be skills gaps and therefore how, when looking for new Governors, we might attempt to fill these. Two

EXMOUTH COMMUNITY COLLEGE
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

community Governor was re-appointed this year, One parent Governor was reappointed as a community Governor, one new community Governor, and 4 new parent Governors were appointed.

3. The focus of the Board this year has been to support the Headteacher and his senior leadership team in delivering the priorities within the Academy Improvement plan by fulfilling the Board's role in monitoring progress towards all key objectives. The Board has continued to monitor the budget closely to ensure that we were still in a robust financial position at the year end.
4. Following the decision by the Headteacher to leave his post at the end of this academic year, the Board undertook a thorough and extensive recruitment process to appoint his successor.
5. The Governing Board review and input to the College's Self Evaluation document which informs the annual academy Improvement Plan. This includes Governance as part of Leadership and Management.

In the academic year 2022-23 the key actions taken by the Board were to:

- i. Monitor and evaluate the impact of the changes to curriculum and assessment implemented following recent reviews by both Ofsted and our School Improvement Partner.
- ii. Continue succession planning for changes to membership of the Board.
- iii. Support the work to bid for grants to replace outdated buildings and plan to increase capacity for when student numbers increase.
- iv. Monitor student and staff wellbeing throughout the year and ensure both were being supported effectively
- v. Continue to monitor the spend and effectiveness of pupil premium and catch-up funding.
- vi. Review and monitor the College risk assessment throughout the year.
- vii. Review and monitor the work being done to support SEND students.
- viii. To review the partnership with ESW MAT which commenced in September 2022 and take a decision about whether to seek to join the MAT on a formal basis.

Our committees have a clear focus and work in parallel so that there is no overlap. All agenda items have a clear purpose and outputs and identify where and how they impact on the Academy Improvement Plan. We review our Risk Management strategy actively through each committee to ensure that we have ownership of the mitigating actions. We have two Lead Governors for key areas such as: Pupil Premium, Behaviour, SEND, Safeguarding and Health and Safety and one Lead Governor for Children in Care, Careers and Communication. All meet the relevant SLT link in order to question and monitor in more detail the plans and actions being taken in these areas. These Governors report back to the relevant committee.

Conflicts of interest

The Board has a register of interests which is updated and signed by each Trustee at the start of each Academic year. Every Trustee and Members meeting (including all the committees) has a standing agenda item "declaration of business interests" so that if there are any changes to interests throughout the year, they have to be declared. Membership of committees and allocated link roles take account of any potential conflict of interest.

Governance Review

In January 2020, we commissioned Babcock to carry out a Governance Review. Out of 65 areas ECC was judged as 58 being green, which is no action or minimal change required and 7 areas as amber which is "Less urgent action required/ Action underway but not embedded" and there were no red which is action required immediately. The report was discussed by Governors and Members and a plan put in place to address the areas rated as amber. For example, one comment related to succession planning for the Board. As a result, we have ensured that there are vice Chairs in place on the committees who have been able to take over from Chairs of Committees as several longstanding and experienced members of the Board have stood down this year. The

EXMOUTH COMMUNITY COLLEGE
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Chair of the Board stepped down this year after 6 years as Chair and due to the succession planning in place the new Chair had been identified earlier in the year thus enabling a thorough handover.

Additionally, every summer the Chair of Governors meets with each governor to review governance from the previous year and consider any feedback and / or suggestions for the following year.

Our intention will be to review progress against the actions in our improvement plan on an internal basis (since there were no significant issues raised) and undertake another independent review in 2024.

The Academies Trust Handbook sets out that the board and its committees must meet regularly enough to discharge their responsibilities and ensure robust governance and effective management arrangements.

It states that board meetings must take place at least three times a year and larger trusts should consider meeting more frequently. ECC's Full Governing Board has met 8 times this year.

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to review all aspects in relation to the financial management/ performance of the College and the Asset Management of the College. It meets six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports from the Director of Finance and Resources and reviewing and recommending the 5 year budget including setting staffing levels.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
M Turgoose	5	6
E McGrath	5	6
L Miszewska	4	4
E Lee	6	6
L Woodward-Drake	2	6
A Davis	6	6
P Netherton	2	4
R Oates	3	4
J Cain	1	3
R Gray	0	1

The Audit and Risk Committee meets three times a year to provide the Board of Governors with the necessary assurance and quality control. It is the Audit and Risk Committee's responsibility to ensure that high risk areas are being tested and reviewed by the internal auditors where possible. The Audit and Risk Committee has agreed that what the internal auditor tests currently is appropriate.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
L Miszewska	2	2
P Netherton	1	3
R Oates	2	2
R Gray	0	0

EXMOUTH COMMUNITY COLLEGE
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GOVERNANCE STATEMENT (CONTINUED)

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, as well as estates safety and management, achieved in return for the taxpayer resources received.

A key objective of the Academy is to ensure value for money; not only living within its budget and using its resources efficiently and with probity, but also continuously improving both the educational and wider societal outcomes for students, as well as ensuring the Academy estate is safe and managed well, within the resources available. Below are examples of how the Academy has ensured value for money over the year:

- The Academy scoped and tendered the refurbishment and repairs to the roof of the Telfer Building. This project was scoped as part of the Estates and Facilities Strategy, specifically against the vision statement "To provide a safe, secure, clean, and stimulating teaching & learning environment with reduced environmental impact, giving a compliant and environmentally friendly space fit for future generations". The building was suffering from constant roof leaks and as a result the building fabric had deteriorated significantly. A Condition Improvement Fund (CIF) bid was submitted to the ESFA but was unfortunately not successful, therefore trustees decided to self-fund the works from Reserves. The project was tendered to four contractors with three submitting responses. The Academy achieved a 37% saving from the highest to lowest tenderer. The tenderer was selected based on cost and quality measures. The project was started at the end of July 2023 and ready for students to use at the start of September 2023. The building is now free from leaks and the teaching facilities have been upgraded with new IT facilities, new flooring, new LED lighting and complete decoration throughout.
- The Academy has been fortunate to have two large building projects underway, a large DFE funded PSBP2 build on our Green Close site and an extension of the Maths 1 Maths Building on the Gipsy Lane site. However, the Furniture, Fixtures & Equipment (FF&E) are not included in the scope of the building projects. Therefore, the Academy successfully tendered a complete FFE package, to include all classroom furniture, tables, chairs, office furniture, and other specialist equipment. The Academy, through competitive tendering (using the DFE furniture framework) secured excellent value for money on the purchases, which included installation. These buildings have now been fitted out completely with brand new furniture and equipment which is making a significant contribution to the teaching and learning environment.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Exmouth Community College for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

EXMOUTH COMMUNITY COLLEGE
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GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

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

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Provision of monthly management accounts which are scrutinised by the Accounting Officer; Chair of Trustees and Chair of Resources.
- Regular reviews by the Resources Committee/Full Governing Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes; this scrutiny occurs six times per annum.
- Regular review of cashflow, investments, disposal of assets and the balance sheet.
- Regular review of financial performance against the KPIs.
- Clearly defined purchasing (assets purchase or capital investment) guidelines.
- Ensuring that budget virements are fully authorised.
- Ensuring regular review of contracts.
- Ensuring regular review of inventories.
- Delegation of authority and segregation of duties.
- Identification and management of risks.
- Annual Review of the Fraud Checklist.
- Robust Scrutiny by the Internal Auditor.
- Maintenance of a master list of business interests which is reviewed when new Governors are appointed.
- Annual Review of the New Academies Trust Handbook to ensure compliance.

The Board of Trustees has considered the need for a specific internal audit function and has appointed Bishop Fleming as internal auditor.

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

Visit 1 – Work completed March 2023

- Budgets and Financial Monitoring
- Compliance
- Income
- Bank and Petty Cash
- Credit Card Review
- Payroll
- Expenditure

EXMOUTH COMMUNITY COLLEGE
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- Fixed Assets

Recommendations

There were six recommendations, all green and categorised as "Recommendations that will improve the current internal controls and be in line with best practice", all of which have been actioned.

Visit 2 - Work completed – June 2023

- Asbestos
 - Overall policy and framework
 - Application of policy
 - Oversight and maintenance of asbestos register
 - Maintenance of asbestos management plan
- General HS&E
 - Confirmation that statutory checks have been completed
 - Oversight and management of statutory checks

Recommendations

There was one green recommendation, categorised as "Observations that if addressed would help to improve and embed good risk management practices but are unlikely to lead directly on their own to significant risk failings", which has been actioned.

As reports are received from the internal auditors, the Audit Committee/ Resources Committee review them.

On an annual basis the internal auditor prepares a 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.

Review of effectiveness

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

- the work of the internal auditor;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit & Risk / Resources Committee and was pleased with the high level of assurances provided.

EXMOUTH COMMUNITY COLLEGE
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GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 21st November 2023 and signed on their behalf by:

J Hill
Chair of Trustees



T Inman
Accounting Officer



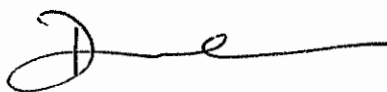
EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Exmouth Community College, I have considered my responsibility to notify the Academy Board of Trustees 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 and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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



T Inman

Accounting Officer

Date: 21/11/2023

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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

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

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

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

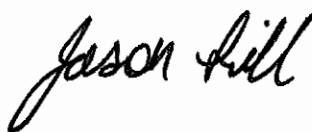
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements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

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

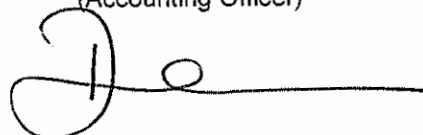
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on
21st November 2023 and signed on its behalf by:

J Hill
(Chair of Trustees)



T Inman
(Accounting Officer)



EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EXMOUTH COMMUNITY COLLEGE**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that it is the Trustees' current intention for the Academy to join Education South West Multi-Academy Trust, subject to successful due diligence and consultation with stakeholders. The expectation is that, if this were to go ahead, it would be effective during 2024. As stated in note 1.2, these events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt on the Academy's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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. Our evaluation of the Trustees' assessment of the Academy's ability to continue to adopt the going concern basis of accounting included discussion with management and a review of meeting minutes, along with external correspondence such as communication with parents regarding the plan to join a Multi-Academy Trust.

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

EXMOUTH COMMUNITY COLLEGE
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EXMOUTH COMMUNITY COLLEGE (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EXMOUTH COMMUNITY COLLEGE (CONTINUED)**

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy'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.

Auditors' responsibilities for the audit of the financial statements

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

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

Our audit procedures have reviewed for evidence of management override, any ongoing legal cases, completeness of related party transactions, as well as an ongoing consideration of fraud and irregularities during the whole audit process.

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

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

Key audit matters

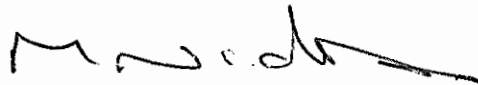
Except for the matter described in the Material uncertainty related to going concern section, we have determined that there are no other key audit matters to be communicated in our report.

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EXMOUTH COMMUNITY COLLEGE (CONTINUED)**

Use of our report

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



Misty Nickells FCA (Senior statutory auditor)

for and on behalf of

Griffin

Chartered Accountants

Courtenay House

Pynes Hill

Exeter

EX2 5AZ

Date: 15/12/23

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EXMOUTH
COMMUNITY COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 16 June 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 Exmouth Community College during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Exmouth Community College's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Exmouth Community College's funding agreement with the Secretary of State for Education dated 1 April 2011 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 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's income and expenditure.

The work undertaken to draw our conclusion includes:

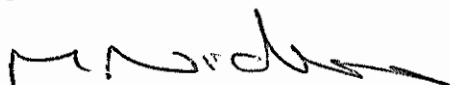
- Review of governance procedures
- Evaluation and testing of the system of internal controls, such as authorisation and value for money procedures
- Substantive testing on relevant transactions

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EXMOUTH
COMMUNITY COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

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



Misty Nickells FCA (Senior statutory auditor)
Reporting Accountants
Griffin
Chartered Accountants

Courtenay House
Pynes Hill
Exeter
EX2 5AZ

Date: 15/12/23

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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

		Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	As restated Total funds 2022 £
	Note					
Income from:						
Donations and capital grants	3	824	-	15,870,314	15,871,138	640,914
Other trading activities	5	264,122	58,155	-	322,277	261,070
Investments	6	8,133	-	-	8,133	734
Charitable activities		771,485	14,019,630	-	14,791,115	13,911,341
Total income		1,044,564	14,077,785	15,870,314	30,992,663	14,814,059
Expenditure on:						
Raising funds		160,086	58,154	-	218,240	141,096
Charitable activities:	8					
Academy educational operations		837,192	14,137,759	1,253,651	16,228,602	15,632,042
Other expenditure	9	-	-	3,041,962	3,041,962	-
Total expenditure		997,278	14,195,913	4,295,613	19,488,804	15,773,138
Net income/(expenditure)		47,286	(118,128)	11,574,701	11,503,859	(959,079)
Transfers between funds	21	-	(509,870)	509,870	-	-
Net movement in funds before other recognised gains		47,286	(627,998)	12,084,571	11,503,859	(959,079)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	28	-	1,666,000	-	1,666,000	9,377,000
Net movement in funds		47,286	1,038,002	12,084,571	13,169,859	8,417,921

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	As restated Total funds 2022 £
Reconciliation of funds:					
Total funds brought forward	1,759,119	(2,079,002)	27,990,800	27,670,917	19,252,996
Net movement in funds	47,286	1,038,002	12,084,571	13,169,859	8,417,921
Total funds carried forward	1,806,405	(1,041,000)	40,075,371	40,840,776	27,670,917

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 39 to 71 form part of these financial statements.

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	40,075,371	26,453,298
		<u>40,075,371</u>	<u>26,453,298</u>
Current assets			
Stock	16	10,543	6,768
Debtors	17	1,195,420	1,075,776
Investments	18	500,000	601,114
Cash at bank and in hand		1,442,533	2,962,290
		<u>3,148,496</u>	<u>4,645,948</u>
Creditors: amounts falling due within one year	19	(1,342,091)	(987,329)
Net current assets		<u>1,806,405</u>	<u>3,658,619</u>
Total assets less current liabilities		<u>41,881,776</u>	<u>30,111,917</u>
Net assets excluding pension liability		<u>41,881,776</u>	<u>30,111,917</u>
Defined benefit pension scheme liability	28	(1,041,000)	(2,441,000)
Total net assets		<u><u>40,840,776</u></u>	<u><u>27,670,917</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	21	40,075,371	27,990,800
Restricted income funds	21	-	361,998
		<u>40,075,371</u>	<u>28,352,798</u>
Restricted funds excluding pension asset	21	40,075,371	28,352,798
Pension reserve	21	(1,041,000)	(2,441,000)
Total restricted funds	21	<u>39,034,371</u>	<u>25,911,798</u>
Unrestricted income funds	21	<u>1,806,405</u>	<u>1,759,119</u>
Total funds		<u><u>40,840,776</u></u>	<u><u>27,670,917</u></u>

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The financial statements on pages 34 to 71 were approved by the Trustees, and authorised for issue on
21st November 2023 and are signed on their behalf, by:


J Hill
Chair of Trustees

The notes on pages 39 to 71 form part of these financial statements.

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	23	869,499	72,104
Cash flows from investing activities	24	(2,490,370)	(666,835)
Change in cash and cash equivalents in the year		(1,620,871)	(594,731)
Cash and cash equivalents at the beginning of the year		3,563,404	4,158,135
Cash and cash equivalents at the end of the year	25, 26	<u>1,942,533</u>	<u>3,563,404</u>

The notes on pages 39 to 71 form part of these financial statements

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

It is the Trustees' current intention for the Academy to join Education South West Multi-Academy Trust, subject to successful due diligence and consultation with stakeholders. The expectation is that, if this were to go ahead, it would be effective during 2024. Therefore, there is a material uncertainty that the Academy Trust will continue to run as a standalone academy for a period of at least 12 months from the date of signing the accounts.

1.3 Income

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

• **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Academy has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Academy, can be reliably measured.

• **Grants**

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

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

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

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

The Academy is benefiting from the ESFA's Priority Schools Building Programme. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the Academy controls through lease the site where a development is occurring. The expenditure is capitalised in assets under construction until the project is complete.

- **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 year it is receivable and to the extent the Academy has provided the goods or services.

- **Donated fixed assets (excluding transfers on conversion or into the Academy)**

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 Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 Interest receivable

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

1.6 Tangible fixed assets

Assets costing £1,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight line
Furniture and equipment	- 20% straight line
Computer equipment	- 33% straight line
Leasehold land	- over length of lease (125 years)

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

1.7 Stock

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

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.10 Liabilities

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

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

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

1.13 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary 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 in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.13 Pensions (continued)

by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.14 Agency arrangements

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 Academy Trust does not have control over the charitable application of the funds. The Academy 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, paid and any balances held at period end are disclosed in Note 31.

1.15 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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.

Investment income, gains and losses are allocated to the appropriate fund.

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Donations	824	13,551,589	13,552,413
Capital Grants	-	2,318,725	2,318,725
	824	15,870,314	15,871,138

EXMOUTH COMMUNITY COLLEGE
(A company limited by guarantee)

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

3. Income from donations and capital grants (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations	1,039	-	1,039
Capital Grants	-	639,875	639,875
	<u>1,039</u>	<u>639,875</u>	<u>640,914</u>

4. Funding for the Academy's charitable activities

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Education			
DfE/ESFA grants			
General Annual Grant	-	12,107,882	12,107,882
Other DfE/ESFA grants			
Pupil Premium	-	454,100	454,100
Supplementary Grant	-	336,739	336,739
Others	-	465,317	465,317
	<u>-</u>	<u>13,364,038</u>	<u>13,364,038</u>
Other Government grants			
High Needs	-	517,986	517,986
Others	-	137,606	137,606
	<u>-</u>	<u>655,592</u>	<u>655,592</u>
Other income from the Academy's education	771,485	-	771,485
	<u>771,485</u>	<u>14,019,630</u>	<u>14,791,115</u>
	<u>771,485</u>	<u>14,019,630</u>	<u>14,791,115</u>

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FOR THE YEAR ENDED 31 AUGUST 2023**

4. Funding for the Academy's charitable activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>As restated Restricted funds 2022 £</i>	<i>As restated Total funds 2022 £</i>
Education			
DfE/ESFA grants			
General Annual Grant	-	11,996,699	11,996,699
Other DfE/ESFA grants			
Pupil Premium	-	506,842	506,842
Teachers Pay Grant	-	22,073	22,073
Teachers Pension Grant	-	62,374	62,374
Others	-	221,255	221,255
	-	12,809,243	12,809,243
Other Government grants			
High Needs	-	366,239	366,239
Others	-	124,272	124,272
	-	490,511	490,511
Other income from the Academy's education	599,587	-	599,587
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	12,000	12,000
	-	12,000	12,000
	599,587	13,311,754	13,911,341
	599,587	13,311,754	13,911,341

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5. Income from other trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Lettings	100,282	58,155	158,437
Catering income (Visitors & Staff)	49,053	-	49,053
Nursery provision	114,787	-	114,787
	<u>264,122</u>	<u>58,155</u>	<u>322,277</u>

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>As restated Total funds 2022 £</i>
Lettings	91,627	48,335	139,962
Catering income (Visitors & Staff)	39,742	-	39,742
Nursery provision	81,366	-	81,366
	<u>212,735</u>	<u>48,335</u>	<u>261,070</u>

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Bank interest	<u>8,133</u>	<u>8,133</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Bank interest	<u>734</u>	<u>734</u>

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7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Expenditure on fundraising trading activities:				
Direct costs	154,221	-	64,019	218,240
Education:				
Direct costs	10,245,464	933,476	1,058,233	12,237,173
Allocated support costs	1,707,417	1,105,684	1,178,328	3,991,429
Other expenditure	-	-	3,041,962	3,041,962
	<u>12,107,102</u>	<u>2,039,160</u>	<u>5,342,542</u>	<u>19,488,804</u>

	<i>As restated Staff Costs 2022 £</i>	<i>As restated Premises 2022 £</i>	<i>As restated Other 2022 £</i>	<i>As restated Total 2022 £</i>
Expenditure on fundraising trading activities:				
Direct costs	141,096	-	-	141,096
Education:				
Direct costs	9,682,609	498,570	1,116,793	11,297,972
Allocated support costs	2,338,542	892,490	1,103,038	4,334,070
	<u>12,162,247</u>	<u>1,391,060</u>	<u>2,219,831</u>	<u>15,773,138</u>

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Education	837,192	15,391,410	16,228,602

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8. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Education	842,701	14,789,341	15,632,042

9. Other expenditure

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Loss on disposal of fixed assets	3,041,962	3,041,962	-

Under the DfE's PSBP programme Exmouth Community College were successful in being awarded some funding to construct a new building. As a result of this they needed to demolish the old building and so a loss on disposal was incurred, being the estimated net book value of this building at the time of demolition less any demolition costs.

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Education	12,237,173	3,991,429	16,228,602

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10. Analysis of expenditure by activities (continued)

	<i>As restated Activities undertaken directly 2022 £</i>	<i>As restated Support costs 2022 £</i>	<i>As restated Total funds 2022 £</i>
Education	<u>11,297,972</u>	<u>4,334,070</u>	<u>15,632,042</u>

Analysis of direct costs

	Education 2023 £	Total funds 2023 £
Staff costs	10,062,336	10,062,336
Depreciation	1,092,098	1,092,098
Educational supplies	277,540	277,540
Examination fees	214,527	214,527
Staff development	16,259	16,259
Other costs	230,393	230,393
Supply teachers	183,128	183,128
Technology costs	160,892	160,892
	<u>12,237,173</u>	<u>12,237,173</u>

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10. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>As restated Education 2022 £</i>	<i>As restated Total funds 2022 £</i>
Staff costs	9,652,498	9,652,498
Depreciation	596,548	596,548
Educational supplies	460,606	460,606
Examination fees	174,215	174,215
Staff development	18,883	18,883
Other costs	144,093	144,093
Supply teachers	30,111	30,111
Technology costs	221,018	221,018
	<u>11,297,972</u>	<u>11,297,972</u>

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10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Education 2023 £	Total funds 2023 £
Pension finance costs	92,000	92,000
Staff costs	1,707,417	1,707,417
Depreciation	161,553	161,553
Other costs	217,269	217,269
Recruitment and support	23,407	23,407
Maintenance of premises and equipment	323,894	323,894
Cleaning	332,231	332,231
Rent and rates	67,840	67,840
Energy costs	243,631	243,631
Insurance	64,103	64,103
Security and transport	35,739	35,739
Catering	337,162	337,162
Office overheads	330,752	330,752
Legal and professional	37,495	37,495
Governance costs	16,936	16,936
	<u>3,991,429</u>	<u>3,991,429</u>

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10. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>As restated Education 2022 £</i>	<i>As restated Total funds 2022 £</i>
Pension finance costs	177,000	177,000
Staff costs	2,338,542	2,338,542
Depreciation	85,170	85,170
Other costs	156,091	156,091
Recruitment and support	21,145	21,145
Maintenance of premises and equipment	279,494	279,494
Cleaning	328,084	328,084
Rent and rates	60,957	60,957
Energy costs	152,774	152,774
Insurance	54,319	54,319
Security and transport	63,219	63,219
Catering	305,894	305,894
Office overheads	262,341	262,341
Legal and professional	31,112	31,112
Governance costs	17,928	17,928
	<u>4,334,070</u>	<u>4,334,070</u>

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	63,264	23,434
Depreciation of tangible fixed assets	946,806	681,719
Loss on disposal of fixed assets	3,041,962	-
Fees paid to auditors for:		
- audit	8,250	13,950
- other services	850	3,450
	<u>3,059,872</u>	<u>708,553</u>

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12. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	8,959,069	8,597,093
Social security costs	868,325	831,447
Pension costs	2,096,580	2,703,596
	<u>11,923,974</u>	<u>12,132,136</u>
Agency staff costs	183,128	30,111
	<u><u>12,107,102</u></u>	<u><u>12,162,247</u></u>

Staff restructuring costs comprise:

	2023 £	2022 £
Severance payments	-	1,702
	<u>-</u>	<u>1,702</u>

b. Severance payments

The Academy paid 0 severance payments in the year (2022 - 1), disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	-	1
	<u>-</u>	<u>1</u>

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12. Staff (continued)

c. Staff numbers

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

	2023 No.	2022 No.
Teachers	143	147
Administration and support	148	143
Management	10	10
	<u>301</u>	<u>300</u>

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
Teachers	127	120
Administration and support	92	88
Management	10	10
	<u>229</u>	<u>218</u>

d. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	5	2
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	2
In the band £130,001 - £140,000	-	1
In the band £140,001 - £150,000	1	-
	<u>8</u>	<u>5</u>

e. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £1,006,309 (2022 - £951,896).

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NOTES TO THE FINANCIAL STATEMENTS
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13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. 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. The value of Trustees' remuneration and other benefits was as follows:

		2023 £	2022 £
A Davis, Headteacher (resigned 31 August 2023)	Remuneration	145,000 -	135,000 -
		150,000	140,000
	Pension contributions paid	35,000 -	30,000 -
		40,000	35,000
A Phillips	Remuneration	45,000 -	45,000 -
		50,000	50,000
	Pension contributions paid	10,000 -	5,000 -
		15,000	10,000
G Bowen (resigned 25 September 2023)	Remuneration	40,000 -	40,000 -
		45,000	45,000
	Pension contributions paid	10,000 -	5,000 -
		15,000	10,000

During the year ended 31 August 2023, expenses totalling £146 were reimbursed or paid directly to 1 Trustee (2022 - £31 to 1 Trustee).

14. 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 insurance provides cover up to £10,000,000. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme membership.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2022	32,626,931	3,129,001	370,168	35,247	36,161,347
Additions	17,544,610	218,072	155,004	-	17,917,686
Disposals	(3,922,500)	(41,699)	(11,873)	-	(3,976,072)
At 31 August 2023	46,249,041	3,305,374	513,299	35,247	50,102,961
Depreciation					
At 1 September 2022	6,344,435	3,049,430	278,937	35,247	9,708,049
Charge for the year	1,071,564	71,161	110,926	-	1,253,651
On disposals	(880,538)	(41,699)	(11,873)	-	(934,110)
At 31 August 2023	6,535,461	3,078,892	377,990	35,247	10,027,590
Net book value					
At 31 August 2023	39,713,580	226,482	135,309	-	40,075,371
At 31 August 2022	26,282,496	79,571	91,231	-	26,453,298

The Academy's transactions relating to long-term leasehold property relates to development and improvements to existing property on the existing Academy site.

16. Stock

	2023 £	2022 £
Catering	10,543	6,768

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	686,088	138,473
Other debtors	240,550	204,364
Prepayments and accrued income	268,782	732,939
	<u>1,195,420</u>	<u>1,075,776</u>

18. Current asset investments

	2023 £	2022 £
Unlisted investments (liquid)	<u>500,000</u>	<u>601,114</u>

19. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	168,751	208,404
Other taxation and social security	206,043	-
Other creditors	230,862	122,542
Accruals and deferred income	736,435	656,383
	<u>1,342,091</u>	<u>987,329</u>

	2023 £	2022 £
Deferred income at 1 September 2022	100,992	38,029
Resources deferred during the year	85,833	100,992
Amounts released from previous periods	(100,992)	(38,029)
	<u>85,833</u>	<u>100,992</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Prior year adjustments

A prior year adjustment has been made to note 4 regarding the classification of some income streams. Three Local Authority grants were incorrectly included under the 'DfE Grants' header, but this has since been moved under 'Other Government Funding' header. This adjustment has no effect on the surplus for the 2022 financial year.

Nursery expenditure has been reclassified as trading activities to match the income classification. This has had no effect on the surplus for the 2022 financial year.

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Reserves	1,759,119	1,044,564	(997,278)	-	-	1,806,405
Restricted general funds						
General Annual Grant (GAG)	361,998	12,107,882	(11,960,010)	(509,870)	-	-
Pupil Premium	-	454,100	(454,100)	-	-	-
Supplementary Grant	-	336,739	(336,739)	-	-	-
Other DfE Grants	-	465,317	(465,317)	-	-	-
High Needs	-	517,986	(517,986)	-	-	-
Other	-	195,761	(195,761)	-	-	-
Pension reserve	(2,441,000)	-	(266,000)	-	1,666,000	(1,041,000)
	<u>(2,079,002)</u>	<u>14,077,785</u>	<u>(14,195,913)</u>	<u>(509,870)</u>	<u>1,666,000</u>	<u>(1,041,000)</u>
Restricted fixed asset funds						
Fixed assets transferred on conversion	20,343,403	-	(571,772)	(116,308)	-	19,655,323
Fixed assets purchased from GAG and other restricted funds	843,825	-	(138,641)	962,397	-	1,667,581
DfE/ESFA capital grants	3,834,835	13,680,193	(3,451,604)	68,740	-	14,132,164
Donation	14,175	-	(13,758)	-	-	417
Local Authority	2,805,549	2,190,121	(119,838)	(255,946)	-	4,619,886
Other capital grants	157,367	-	-	(157,367)	-	-
Salix Loan	(8,354)	-	-	8,354	-	-
	<u>27,990,800</u>	<u>15,870,314</u>	<u>(4,295,613)</u>	<u>509,870</u>	<u>-</u>	<u>40,075,371</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Total Restricted funds	25,911,798	29,948,099	(18,491,526)	-	1,666,000	39,034,371
Total funds	27,670,917	30,992,663	(19,488,804)	-	1,666,000	40,840,776

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

RESTRICTED FUNDS

The General Annual Grant (GAG) represents income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

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

Pupil Premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Supplementary Grant represents funding received from the ESFA to provide support for the costs of the Health and Social Care Levy and wider costs.

Other DfE grants includes rates reclaim, tutoring premium, teachers pay grant and mainstream schools additional grant.

Other restricted funds includes academy growth funding received by the local authority to meet the costs of increased pupil numbers

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme.

RESTRICTED FIXED ASSET FUNDS

Fixed assets transferred on conversion - this represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Fixed assets purchased from GAG - this represents funds transferred from the restricted GAG fund to purchase fixed assets.

DfE/ESFA Capital Grants - these funds were received for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts less associated finance

Donated Fixed Assets - This represents the net book value of laptops donated to the Academy to ensure all students had the ability to continue school work from homing during the pandemic together with the net book value of other assets purchased using donated funds.

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NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds (continued)

Local Authority - these funds were received from the local authority to assist the Academy in a major build project undertaken and were restricted to use within this project.

Other capital grants - these funds were received from third parties for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
Reserves	2,393,805	814,094	(1,448,780)	-	-	1,759,119
Restricted general funds						
General Annual Grant (GAG)	374,250	12,058,738	(11,228,289)	(842,701)	-	361,998
Pupil Premium	-	506,842	(506,842)	-	-	-
Teachers Pay Grant	-	22,073	(22,073)	-	-	-
Teachers Pension Grant	-	62,374	(62,374)	-	-	-
Other DfE Grants	-	171,217	(171,217)	-	-	-
High Needs	-	366,239	(366,239)	-	-	-
Other	-	172,606	(172,606)	-	-	-
Pension reserve	(10,705,000)	-	(1,113,000)	-	9,377,000	(2,441,000)
	<u>(10,330,750)</u>	<u>13,360,089</u>	<u>(13,642,640)</u>	<u>(842,701)</u>	<u>9,377,000</u>	<u>(2,079,002)</u>
Restricted fixed asset funds						
Fixed assets transferred on conversion	20,798,866	-	(455,463)	-	-	20,343,403
Fixed assets purchased from GAG and other restricted funds	105,664	-	(104,540)	842,701	-	843,825
DfE/ESFA capital grants	3,711,622	196,439	(73,226)	-	-	3,834,835

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21. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Donation	27,933	-	(13,758)	-	-	14,175
Local Authority	2,455,210	381,585	(31,246)	-	-	2,805,549
Other capital grants	99,001	61,851	(3,485)	-	-	157,367
Salix Loan	(8,354)	-	-	-	-	(8,354)
	<u>27,189,942</u>	<u>639,875</u>	<u>(681,718)</u>	<u>842,701</u>	<u>-</u>	<u>27,990,800</u>
Total Restricted funds	<u>16,859,192</u>	<u>13,999,964</u>	<u>(14,324,358)</u>	<u>-</u>	<u>9,377,000</u>	<u>25,911,798</u>
Total funds	<u>19,252,997</u>	<u>14,814,058</u>	<u>(15,773,138)</u>	<u>-</u>	<u>9,377,000</u>	<u>27,670,917</u>

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	40,075,371	40,075,371
Current assets	3,148,496	-	-	3,148,496
Creditors due within one year	(1,342,091)	-	-	(1,342,091)
Provisions for liabilities and charges	-	(1,041,000)	-	(1,041,000)
Total	<u>1,806,405</u>	<u>(1,041,000)</u>	<u>40,075,371</u>	<u>40,840,776</u>

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22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	26,453,298	26,453,298
Current assets	-	1,349,326	3,296,622	4,645,948
Creditors due within one year	1,759,119	(987,328)	(1,759,120)	(987,329)
Provisions for liabilities and charges	-	(2,441,000)	-	(2,441,000)
Total	1,759,119	(2,079,002)	27,990,800	27,670,917

23. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of financial activities)	11,503,859	(959,079)
Adjustments for:		
Depreciation	1,253,651	681,718
Capital grants from DfE and other capital income	(15,870,314)	(639,875)
Interest receivable	(8,133)	(734)
Defined benefit pension scheme cost less contributions payable	169,000	936,000
Defined benefit pension scheme finance cost	97,000	177,000
(Increase)/decrease in stocks	(3,775)	484
Decrease in debtors	313,951	339,473
Increase/(decrease) in creditors	372,298	(462,883)
Loss on disposal of fixed assets	3,041,962	-
Net cash provided by operating activities	869,499	72,104

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24. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	8,133	734
Purchase of tangible fixed assets	(4,383,633)	(1,088,204)
Capital grants from DfE Group	1,885,130	420,635
Net cash used in investing activities	(2,490,370)	(666,835)

25. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	1,442,533	2,962,290
Notice deposits (less than 3 months)	500,000	601,114
Total cash and cash equivalents	1,942,533	3,563,404

26. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	2,962,290	(1,519,757)	1,442,533
Liquid investments	601,114	(101,114)	500,000
	3,563,404	(1,620,871)	1,942,533

27. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	884,293	3,824,662

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28. Pension commitments

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

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

Contributions amounting to £227,017 were payable to the schemes at 31 August 2023 (2022 - £ -) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to 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 year amounted to £1,413,828 (2022 - £1,341,560).

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

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

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28. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £726,000 (2022 - £653,000), of which employer's contributions totalled £564,000 (2022 - £490,000) and employees' contributions totalled £162,000 (2022 - £145,000). The agreed contribution rates for future years are 17.6 per cent for employers and 5.5 - 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on [GOV.UK](https://www.gov.uk).

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.90	3.95
Rate of increase for pensions in payment/inflation	2.90	2.95
Discount rate for scheme liabilities	5.30	4.25
Inflation assumption (CPI)	2.90	2.95

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	21.4	21.7
Females	22.6	22.9
<i>Retiring in 20 years</i>		
Males	22.7	23.0
Females	24.0	24.3

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28. Pension commitments (continued)

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	(200)	(265)
Discount rate -0.1%	205	271
Mortality assumption - 1 year increase	320	343
Mortality assumption - 1 year decrease	(310)	(333)
CPI rate +0.1%	194	250
CPI rate -0.1%	(189)	(244)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	5,448,000	4,886,000
Corporate bonds	2,223,000	1,830,000
Property	860,000	918,000
Cash and other liquid assets	137,000	132,000
Target return portfolio	620,000	766,000
Infrastructure and alternative assets	930,000	680,000
Total market value of assets	10,218,000	9,212,000

The actual return on scheme assets was £261,000 (2022 - £-331,000).

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

	2023 £	2022 £
Current service cost	(733,000)	(1,426,000)
Interest income	402,000	154,000
Interest cost	(494,000)	(326,000)
Administrative expenses	(5,000)	(5,000)
Total amount recognised in the Statement of financial activities	(830,000)	(1,603,000)

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28. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	11,653,000	19,774,000
Current service cost	733,000	1,426,000
Interest cost	494,000	326,000
Employee contributions	162,000	145,000
Actuarial gains	(1,550,000)	(9,862,000)
Benefits paid	(233,000)	(156,000)
At 31 August	11,259,000	11,653,000

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

	2023 £	2022 £
At 1 September	9,212,000	9,069,000
Interest income	402,000	154,000
Actuarial gains/(losses)	116,000	(485,000)
Employer contributions	564,000	490,000
Employee contributions	162,000	145,000
Benefits paid	(233,000)	(156,000)
Administration expense	(5,000)	(5,000)
At 31 August	10,218,000	9,212,000

29. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	63,264	23,434
Later than 1 year and not later than 5 years	56,209	-
	119,473	23,434

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30. Members' liability

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

31. Related party transactions

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

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 12.

32. Agency arrangements

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023, the Trust received £10,656 (2022: £21,312) and distributed £10,370 (2022: £23,780) from the fund. An amount of £Nil (2022: £10,655) is included in other creditors relating to undistributed funds that are repayable to the ESFA.