

Company Number: 07550474

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

**Annual Report and Financial Statements
For The Year Ended 31 August 2025**

| CONTENTS | Page |
|--|-------------|
| Reference and Administrative Details | 1 - 2 |
| Trustees' Report | 3 - 16 |
| Governance Statement | 17 - 21 |
| Statement on Regularity, Propriety and Compliance | 22 |
| Statement of Trustees' Responsibilities | 23 |
| Independent Auditor's Report on the Financial Statements | 24 - 27 |
| Independent Reporting Accountant's Report on Regularity | 28-29 |
| Statement of Financial Activities incorporating Income & Expenditure Account | 30 |
| Balance Sheet | 31 |
| Statement of Cash Flows | 32 |
| Notes to the Financial Statements | 33 - 52 |

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

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

| | |
|--|--|
| Members | Mrs A Aston Mr W McCreath Mr W Parker |
| Trustees | Mrs A Aston, Chair 1,2 (Resigned 16th July 2025) Mr M Pauling, Headteacher 1,2,3 Mrs H Little 1,3 Mrs S George (Appointed 2nd May 2025, resigned 5th June 2025) Mr B Scott, Vice Chair 1,2 (Appointed 1st May 2025) Mrs W Rowswell 1,3 (Appointed 29th April 2025) Mr J Phelps 1,3 (Appointed 29th April 2025) Mr A Richards 1,3 (Appointed 29th April 2025) Mr W Parker, Vice Chair 1 (Resigned 16th July 2025) Mrs N Kessell, Chair 2 (Appointed Chair 22nd September 2025) Mr D Clark 2,3 (Appointed Chair 16th July 2025, resigned as Chair 22nd September 2025, resigned as Trustee 31st October 2025) Miss L Comer 2 (Resigned 15th July 2025) Mrs A Selwyn 2 Mr C Brindley 1,3 Mrs C Curtis 1,3 Mrs K Milne 2 Mrs B Staite (Appointed 1 September 2025) |
| | ¹ Resources & Community Committee ² Learning & Outcomes Committee ³ Audit & Risk Committee |
| Company registered number | 07550474 |
| Company name | Chosen Hill School |
| Principal and registered office | Brookfield Road Churchdown Gloucester Gloucestershire GL3 2PL |
| Company secretary | Mrs D Duerden |
| Accounting Officer | Mr M Pauling (Until 31 st May 25) Mr W Witham (From 1 st June 25) |

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

Senior Leadership Team Mr M Pauling, Headteacher
Mr J Bardgett, Deputy Headteacher (Temporary Headteacher Appointed 1st June 2025)
Mr W Witham, Deputy Headteacher (Temporary Headteacher Appointed 1st June 2025)
Mrs K Chodera, Assistant Headteacher
Mrs E Hanwell, Assistant Headteacher
Mrs J Henry, Assistant Headteacher
Mrs D Wardlaw, Business Manager
Mrs K Stoneman, Assistant Headteacher (Resigned 31st August 2025)
Mrs A Adams, Assistant Headteacher (Appointed 1st September 2025)
Mr T Webb, Temporary Assistant Headteacher (Appointed 1st June 2025)
Mr S Ditchfield, Temporary Assistant Headteacher (Appointed 1st June 2025)

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

Bankers Virgin Money
215 High Street
Cheltenham
GL50 3HH

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025**

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

The Trust operates an Academy for pupils aged 11 to 19 in Gloucester. It has a pupil capacity of 1,140 and 250 in the 6th Form and had a roll of 1,294 (2024 – 1,299) in the school census in October 2025 with 1,110 (2024 – 1,113) in Years 7-11 and with 184 (2024 – 186) in the 6th Form.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy.

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

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

Members' liability

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

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10m on any one claim.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

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

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

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be reappointed or re-elected. Parent Trustees are elected by parents of registered pupils and should be a parent of a pupil when elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development. Trustees are not automatically Members of the academy and the academy aims to have at least 3 Members. Trustees who leave are being encouraged to become members instead, so we retain their skills and knowledge of the school.

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

Policies and Procedures Adopted for the Induction and Training of Trustees

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

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

All trustees undergo a DBS check and a Section 128 check as part of the recruitment process.

All trustees have access to Governor Hub, the National College and NGA membership

Organisational Structure

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

There are 3 committees as follows:

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

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

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

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

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

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

The Head Teacher is the Accounting Officer.

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

Arrangements for Setting Pay and Remuneration of Key Management Personnel

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

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

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

The Trustees benchmark the remuneration of all members of staff against the school teachers' pay and conditions recommendations and the National Joint Council for Support staff members.

**Trade union facility time
Relevant union officials**

| Number of employees who were relevant union officials during the relevant period | Full-time equivalent employee number |
|--|--------------------------------------|
| 3 | 2.6 |

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

| | |
|---|---------------|
| Provide the total cost of facility time | £862 |
| Provide the total pay bill | £7,885 |
| Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100 | 0.01% |

Paid trade union activities

| | |
|--|-----------|
| Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100 | 0% |
|--|-----------|

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

Connected Organisations, including Related Party Relationships

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

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

Chosen Hill had a contract for IT services with Churchdown School which ended this academic year

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

The school will be working with the Football Foundation during the next academic year to build a 3G pitch on the school site. This will be funded through the Football Foundation and the school funds from S106 money and fundraising.

OBJECTIVES AND ACTIVITIES

Objects and Aims

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

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

The aims of the Academy during the year ended 31 August 2025 are summarised below:

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

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

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

Objectives, Strategies and Activities

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

- Our approach to raising attendance and punctuality across the school is relentless. With a focus on key cohorts (PP, SEND, Year 9 and Year 10) we plan and deliver decisive interventions.
- Behaviour Expectations (DfL) and Core T&L Principles (Blueprint) are embedded school-wide. Three core Walkthrus are known and visible in classrooms: Make everybody think, Deliberate Vocabulary and Actionable Feedback.
- The KS3 assessment model is strengthened so that it is accurate, valid and informative of progress. The standardised language of A2L and 'Going Green' engages students in self-regulation and motivation to improve.
- Parental engagement – there is positive, and progress focussed communication with key stakeholders, driven by a robust home-school agreement and shared values.
- Our enrichment and character education programmes are widened and extensively promoted. A comprehensive rewards strategy is rolled out to encourage students to engage in at least one activity.
- Our coherent curriculum offer meets the needs of 6th Form learners leading to excellent outcomes. The core T&L Principles (Blueprint) underpin 6th Form lessons and there is a drive to ensure that students work with independence both inside and outside of school.

The activities included:

- Review of curriculum delivery to ensure the effectiveness of the roll out of the new curriculum model and assessment, evaluation of its impact on the curriculum offer and further planning refinement for September 2025.
- The required focus on student literacy development to build confidence and enable access for all to the public examination courses and wider curriculum offer.
- Ongoing development of the school's IT infrastructure.
- Further development and embedding of key systemic, financial and administrative arrangements and procedures arising from the established review and evaluation cycle of all policy/protocols, practice and functions at the school.
- Continued refinement of all school systems for assessing, tracking and responding to student progress and outcomes data and its deployment in the preparation and delivery of externally sat summer examinations at GCSE and A level.
- Continued development and reinforcement of systems, procedures and activities to promote student voice and participation, the House system and community ethos of the school through an updated Website and in-school offer.
- Continued development of the 6th Form curriculum and enrichment provision, alongside creating a 6th Form study centre, to maintain increased retention and improve outcomes for students from all starting points.

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

Public Benefit

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

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

STRATEGIC REPORT

Achievements and Performance

The Academy is in its fourteenth year of operation.

The School continues to work to secure good or better outcomes for all students from all their different starting points. The school achieved its best GCSE outcomes since the onset of numerical grading. This includes the highest 5+ GCSE grades, including English and Maths, and the highest attainment 8 score since numerical grading. Furthermore, the school achieved its highest attainment scores in English, Maths, the EBAC and open buckets.

The School had a very successful Ofsted inspection in December 2024, securing good in every category.

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

1. Curriculum Intent

- The curriculum policy (2024 –2026) and strategy demonstrates the intent for the curriculum to be knowledge-rich, ambitious and challenging with carefully planned sequential learning.
- The CHS Blueprint for lessons supports quality first teaching across the curriculum. It incorporates practice such as regular retrieval and routines which are beneficial to all students, especially those with SEND. Faculties have developed their own blueprints to give context.
- All Faculty leaders have undertaken significant work on curriculum road maps and plans. In most cases, the National Curriculum is already followed. Where this is not the case, there is breadth and balance, as evidenced through the Curriculum strategy, Curriculum Road Maps and Department Improvement Plans (DIPs).
- There are clear Curriculum action plans (2024-2026) which have challenged and supported leaders in reflecting on their curriculum, its history, rationale, barriers, sequencing, challenge and assessment. Curriculum Leaders update maps annually to reflect changing cohorts and there is a more consistent approach to curriculum design.
- Curriculum work has been subject to rigorous Quality Assurance at whole-school level and some external QA, including participation in the *Improving Teaching Programme* with Tom Sherrington and John Tomsett. QA also involves local secondary schools.
- The opening of CHoiceS in September 2023, the on-site alternative provision centre, is in the process of greatly enhancing the quality of curriculum that some of our most vulnerable learners receive. All Key Stage 4 learners will follow up to 8 GCSEs alongside careers support, MH support, enrichment programmes and access to a wide range of external support.
- Students are provided with a strong careers programme across years 7-13 that meets PAL legislation and 100% on 7 out of 8 benchmarks has been achieved and 93% on the other.
- A restructuring of the curriculum in Key Stage 3 ensures that over 50% of cohorts in years 8 and 9 have the opportunity to study a second language. This will impact on the number of students who are entered for the EBacc.

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

- A review of the Home Learning curriculum has taken place and a new policy and menu of home learning support has been launched in 2025/26. The policy ensures that centralised home learning is linked to Schemes of Learning and Class Charts is used to monitor home learning.

2. Implementation of the Curriculum: The Quality of Teaching and Learning

- Core teaching and learning principles are embedded across the school. Quality First Teaching results in subject matter being communicated clearly and effectively.
- The CHS lesson Blueprint is embedded in lessons and underpins the teaching and learning principles. This has been used in staff training to support consistent strategies that are evidence informed. "Staff have worked together to create a 'blueprint' for learning. This means that they carefully consider how pupils learn best in each subject. As a result, pupils learn effectively." Ofsted (December 2024)
- An instructional coaching model informed by Walkthrus is used. The same Walkthrus have been used in whole school training as the Launch, Review and Evaluate cycle. Processes have been evaluated and refined for 2025/26.
- A systematic approach to retrieval practice is in place at the start of every lesson. Faculties use low stakes quizzing, checking and interleaving.
- Classrooms offer a disruption free learning environment. "The school is calm and orderly." Ofsted (December 2024)
- Faculty leaders have gone through a full curriculum review. Faculties have planned their curriculae to respond effectively to misconceptions, thus ensuring that responsive teaching and feedback are at the central of planning.
- Whole-school INSET on vocabulary gaps (Alex Quigley) has upskilled staff so that they understand Tier 2/Tier 3 language and have a toolkit of strategies to teach vocabulary effectively. The *Deliberate Vocabulary Walkthru* is known, understood and used by teaching staff.
- A reading curriculum is in place so that students develop reading fluency. This supported by a Literacy Strategy. This includes the LM Reading Programme, Accelerated Reader lessons, Reading Intervention and PD for teachers. Direct Instruction has been used as an intervention strategy for years 7 and 8 with regards to de-coding and comprehension.
- Outcomes at Key Stage 4 reflect the positive impact the curriculum intent and implementation are having. GCSE results in 2025 showed the highest 4+ in English and Maths since the advent of number grades. They also showed the highest 5+ in English and Maths too. Attainment 8 was at its highest level since number grades were introduced. Over 20% of all grades were at 7+.

Outcomes and progress at Key Stage 5 continued to show an upward trend with the highest Average Points Score from examinations since 2019 and an improved average grade.

3. Behaviour and Attitudes

- The school has responded to the attendance challenges post pandemic by investing significant resources in student support services to address these current challenges. As a result, Ofsted (December 2024) judged attendance as "highly effective".
- Leaders and the attendance team work collaboratively with a range of professionals and the LA Education Inclusion Service to meticulously track attendance of all students, analyse data, monitor key sub-groups e.g. PP and SEN and respond with key strategies using the graduated pathway. PP attendance is in the highest quintile nationally (FFT Aspire).
- The school has high expectations for students' behaviour. "The school is calm and orderly. Pupils know what is expected of them and staff apply the behaviour policy consistently." Ofsted (December 2024). These expectations are universally understood and applied consistently and fairly through the *CHS T & L Principles Blueprint*. This is reflected in students' positive behaviour and conduct. "The school has high

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

expectations of them and balances this with a nurturing approach, when needed." Ofsted (December 2024).

- The school promotes a rewards culture that underpins this positive learning climate, offering a wide range of formal rewards to reflect the school's values and objectives for student personal development giving all students access to opportunities for praise.
- Students' attitudes to their education are positive. They are committed to their learning, know how to study effectively and do so, are resilient to setbacks and take pride in their achievements.
- The Behaviour Management Policy and staff training focuses upon restorative approaches to address low level disruption and providing a firm but supportive framework for those with challenging behaviour to improve.
- The assembly programme, Wellbeing Relationships and Social Education (WRSE) programme/ curriculum "Road Map" provides regular opportunities to consider discrimination, its causes, impacts and resolutions. Bespoke WRSE lessons delivered by a specialist team provide extended coverage of key issues in terms of consent, harmful sexual behaviours, child exploitation and equalities.

4. Personal Development

- Careers Education / IAG at transition phases is thorough, individualised and includes independent, impartial careers advice covering alternative providers, apprenticeships and employability.
- Pupil mental health and wellbeing is a key priority. A strategic Wellbeing and Mental Health Lead role at SLT level allows for oversight for whole school: across curriculum, safeguarding and with external partners and support services. "There is a strong focus on mental well-being." Ofsted (December 2024)
- The Stirling Children's Wellbeing Survey provides longitudinal data for whole school Mental Health check-ups using the BounceTogether platform, with specific projects around transition for incoming year 7 students and families, resilience and attitudes to school for years 8 & 9 and stress and anxiety for KS4 & 5. Targeted entry and exit surveys are used to measure impact of key interventions.
- The school remains part of the Trailblazer project of Mental Health Support Teams working in schools and works closely with YMM and GHLL and has just been re-awarded the Mental Health Champions and Healthy Schools awards with GHLL.
- Students receive rich SMCS, including British Values, personal development and emotional and mental well-being support through the Assembly programme, Learning Mentor programme, CPSHE programme, Relationships, health and sex education (RSE), Careers provision, House programme, Well-being and Mental Health (WRSE) education, extra-curricular and trips and visits offer and the student support services provision.
- Transition into year 7 is supported by 6th Form students who are trained to deliver the 'Boost Project' introduced in association with Gloucestershire Constabulary and now being continued in-house as the WATCH Programme.
- The House System engages all students and staff, giving a sense of belonging, encouragement, and pride in collaborative achievement.
- Positive relationships between staff, parents and students are evident and are modelled consistently.
- The Graduation programme is being embedded with parental support with a comprehensive rewards strategy rolled out to encourage all students to fully engage in a range of activities and leadership opportunities. "The school offers a broad range of opportunities to develop pupils' talents and interests, including a school magazine, a well-established link with a school in India and the Duke of Edinburgh Award." Ofsted (December 2024)

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

5. Leadership

The school has implemented a development plan based around the key areas of need identified by SLT, Governors, parents, Students and Staff – known as our WATCH words:

Wellness Ambition Togetherness Confidence Honesty

These are the key values that focus the areas for school improvement and inform all strategic decisions.

- There is a strong culture of Safeguarding, with a core team of DSL/DDSL/ADSL and a wider pastoral support team who meet regularly to ensure full compliance with KCSIE and robust, ongoing actions to safeguard all students.
- Governors bring a broad range of skills and knowledge to the school including, financial, educational and business. New governors have been appointed based on skills and expertise and are supported through a thorough induction process and training. "Governors have a strong oversight of the school and provide meaningful challenge and support to help the school bring about improvements". Ofsted (December 2024)
- The appraisal processes supports individual professional development and school improvement.
- Building stronger local community links and understanding of the school vision: leading to increased confidence and strong ambition.
- The school's curriculum, target setting and assessment arrangements and focus on student learning dispositions and effective pedagogy aims to ensure that students in all year groups across the curriculum make substantial and sustained progress whilst in school. "Leaders work with strong moral purpose to ensure the school is inclusive for all." Ofsted (December 2024)

6. Quality of 6th Form Provision:

- The 6th Form has been a key area of focus for the school – and continues to be so for the next academic year.
- Many students take on positions of responsibility, including leading the much-loved house music event and supporting pupils in year 7 through the school's 'Boost' programme.
- The school continues to collaborate with other local schools, and this contributes to whole school CPD to action the findings. Alongside this, the Assistant Director – Curriculum role is embedded to include regular meetings with Heads of Faculties/Heads of Department to discuss student progress and outcomes.
- The school has created specific curriculum time (4 hours) for extension subjects to raise the profile and recruit in these areas. It has also conducted a review of entry requirements to ensure they are adhered to, and that students are on the right pathways.
- Recent changes in the 6th Form have had a positive impact, which are now being reflected in published outcomes. "Students now spend more time in lessons with their expert teachers. They receive more support to help them use their independent learning time effectively. Students remember what they have learned and produce high-quality written work." Ofsted (December 2024)
- "Staff support them effectively into their post-18 destinations." Ofsted (December 2024)
- The significant capital investment in upgrading the 6th Form area including a new study centre, café and office suite has directly contributed to the purposeful and focussed culture amongst the students.
- There are new Direct and Independent Study criteria in order to improve consistency and accuracy of reporting.
- The student leadership programme is established and effective. The interview process for positions has been embedded and increased the opportunities within student leadership by giving International Dimensions students leadership status and re-branding of Student Council Positions.
- The 6th Form has its own separate action plan and area on the SIP.

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

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

Investment in the school infrastructure, remains an important part of our strategic planning. We have been awarded another Condition Improvement Fund bid this year to replace windows of £336k. The project from last year to replace four classrooms has been delayed due to technical issues but we are aiming to continue to progress this during the next academic year. We have also been awarded funding from the Football Foundation for a new 3G pitch which will be a great asset to the school. This requires school contributions of £336k, of which £249k is from S106 funding and the other £87k will be from fundraising in the coming year. This has been accrued in this year's accounts.

School Public Examination Results Summer 2025

GCSE Results:

| | |
|--------------------------------|---|
| Attainment 8 | 48.81 |
| % English and Maths (Grade 4+) | 71% |
| Progress 8 | -0.12 (2024) There will be no figure for 2025 |

A Level Results:

| | |
|--------------|---------------------------------------|
| Value added: | -0.25 (2024) No published figures yet |
| A* A | 8% |
| A* B | 31% |
| A* E | 95% |

BTEC Level 3:

| | |
|---------|-----|
| Dist* | 2% |
| Dist*/D | 34% |

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention - the amount of GAG carry forward is 2% (2024 – 6%).

As funding is based on pupil numbers, this is also a key performance indicator. Pupil numbers for 2025 funding are 1107 (2024 – 1,113) in years 7-11 and 184 (2024 – 186) in the 6th Form. Numbers have dropped this year due to a number of permanent exclusions and elective home education pupils. 6th Form numbers have also fallen, due to trying to ensure the right pupils are on the right courses.

Another key financial performance indicator is staffing costs (excluding actuarial pension adjustments) as a percentage of funding for education (excluding capital funding). For 2024/25 this was 82% (2023/24 - 79%). Staffing costs have continued to be difficult to manage this year with numerous vacancies, particularly support staff and the increased use of supply staff due to absence.

Attendance has been challenging this year and we have invested in strategies to improve attendance across the school. Overall attendance for the school was 92% which was 0.7% higher than the national average at 91.3%.

Going Concern

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

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2025 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the year ended 31 August 2025, the Academy realised total income of £10,375,417 (2024 - £10,382,662) and incurred total expenditure of £10,427,891 (2024 - £9,930,760). The deficit of expenditure over income for the year was £52,474 (2024 - surplus of £451,902).

Income from lettings is slightly below last year at £72,088 (2024 – £82,500). We are hoping to further increase the hire of facilities through the coming year and have a grant from the Football Foundation for a 3G pitch. This project is starting in October 2025.

We have continued to benefit this year from bank interest; however rates have started to decrease and income is slightly lower than last year at £110,665 (2024 - £124,404).

This year we continued to spend some reserves on premises improvements and repairs and in our IT infrastructure. We had a flood in September due to a sudden downpour which resulted in the main school hall floor needing repairs and reception flooring needing replacement. This was claimed for on our Insurance.

At 31 August 2025 the net book value of fixed assets was £16,432,231 (2024 - £16,719,181) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

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

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 of Chosen Hill School operate a reserves policy that aims to maintain an end of financial year surplus balance of approximately £720,000. This is based on the following:

| | |
|---------------------------------|-------|
| 1 month's salaries | £600k |
| Contingencies | £30k |
| Designated for Capital projects | £90k |
| Total | £720k |

During the year, the trustees budgeted to spend some free reserves on premises improvements and set a deficit budget for the year. There has been some additional spending this year on improvements around the school and winning CIF bids for the last academic year and this has required funding from reserves.

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

As at 31 August 2025, the School held a reserves total of £18,356,049 of which £1,003,348 is free reserves.

The defined benefit pension scheme reserve has previously been a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. The deficit was eliminated to Nil in 2023 and since then, there has been no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust. Details are in note 24 of the accounts.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. During the year the Trustees held funds in a deposit account operated by CCLA. Interest rates have started to decrease over the last financial year and so interest earned has also reduced. Interest received was £110,665 compared to £124,404 in 2023/24.

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 DfE. In the last year 95% of the Academy's incoming resources were ultimately Government funded. The vast majority of the schools funding is used for salaries and funding around pay increases for staff, both teachers and support has continued to be a concern due to its uncertainty. It was helpful in 2025 to have known the teachers pay increase for budgeting purposes, however, the increase was more than the additional funding we received, causing additional budgeting pressures for the next academic year. This funding gap makes it difficult to make the appropriate investment we need in order to maintain and improve our premises.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks. There have been a number of changes to Governors during this year, however the board is now fully recruited with skills gaps filled. The Chair and Vice Chair both have terms of office that ended in July 2025 and we had a succession plan in place throughout this academic year, ready for September 2025.

Premises - one of the major risks affecting the Academy at the moment is the risk of closure due to the age and condition of some of its infrastructure. We have won a number of CIF bids in recent years that have addressed issues with heating and roofing and time expired buildings and we have now won a bid for window replacement in 2025/26. The main areas of concern now are antiquated electrical systems and the condition of our toilet facilities. These will be the subject of CIF bids for 2025/26.

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 child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. Staff absence has continued to be higher than pre-covid. The recruitment of new staff continues to be difficult, both for teaching and support staff, and staff absence has also impacted again this year. Wellbeing of all staff and pupils continues to be a top priority for the next academic year.

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

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

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis. This has been discussed by Trustees and includes the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually by the Audit and Risk Committee.

Our system for linking risk with actions, policies and activities has been further embedded this year and will help ensure that the senior leadership team and trustees can see that the estate is being appropriately maintained and managed in line with regulations.

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

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small; however we are not at PAN in all year groups and this has impacted our funding for 2025. The Trustees have set a deficit budget for 2025/26 mainly due to increased costs from suppliers, unfunded pay increases and investment in the premises.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Resources and Community Committee meetings. The Trustees also ensure sufficient funds are held to cover all known and anticipated commitments for the next academic year. Looking further ahead the figures are more challenging due to lower pupil numbers and higher costs.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity. We have accrued £87,000 as a liability as this represents our contribution to the 3G pitch that will commence in October 2025. We will be conducting fundraising in order to fund this contribution. The Academy has funded its CIF contribution from reserves so there have been no additions to CIF and SALIX loans this year. The balance of loans for CIF funding totals £152,775, SALIX funding is £21,807 and £96,163 for emergency funding for the boiler. During the year, we repaid £46,387 of our loan balance.

The pension reserve, which is set out in note 24 to the financial statements shows a net surplus of £2,316k at 31 August 2025 (2024: net surplus of £718k). As Chosen Hill School has no unconditional right to a refund from the LGPS, the value of the surplus that can be recognised as an asset is limited to the "asset ceiling". This is the present value of any benefit in the form of reductions in future contributions. The actuarial report calculates our asset ceiling as £2,316k, bringing the year end balance to £0.

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

FUNDRAISING

During this year the PTA was renamed and re-launched in the school community. They raised £708 which was donated to the school to cover the cost of posting reward postcards for pupils. They have also raised funds and used them to enhance the garden areas of the school. Pupils and staff raised £3,600 through dress down days, raffles and fayres for charities including Princes Trust, British Legion, Crisis at Christmas, The Hollie Gazzard Trust and Superheroes Foundation, and others.

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

PLANS FOR FUTURE PERIODS

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

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

We will continue to apply for grants to support the improvement of the school site and will work with our football partners to raise the £87k of funds required to support our Football Foundation Grant.

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

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

AUDITORS

In so far as the Trustees are aware:

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

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 11th September 2025 and signed on the board's behalf by:



**N Kessell
Chair of Trustees**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025**

SCOPE OF RESPONSIBILITY

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Guide.

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year. The board maintains effective oversight of funds with more frequent meetings of the Resources Committee. The Chair and Vice Chair are both members of the Resources Committee and any financial concerns will be raised for the attention of the Full Governors and additional meetings convened if necessary.

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

| Trustee | Meetings attended | Out of a possible |
|---------------------------|-------------------|-------------------|
| Mrs A Aston, Chair | 4 | 5 |
| Mr C Brindley | 2 | 5 |
| Mr D Clarke | 4 | 5 |
| Ms L Comer | 3 | 5 |
| Mrs C Curtis | 5 | 5 |
| Mrs N Kessell | 4 | 5 |
| Mrs H Little | 4 | 5 |
| Mrs K Milne | 5 | 5 |
| Mr W Parker | 4 | 5 |
| Mr M Pauling, Headteacher | 3 | 5 |
| Mr J Phelps | 1 | 1 |
| Mr A Richards | 1 | 1 |
| Mrs W Rowswell | 1 | 1 |
| Mr B Scott | 1 | 1 |
| Mrs A Selwyn | 3 | 5 |

During this academic year we had a Governor recruitment process in place to recruit new Governors due to a number of governors with terms finishing. We have also had a succession plan in place for the Chair and Vice-Chair whose terms were both ending. We have recruited 4 new Governors this year, with skills in Cyber, Health and Finance. We have a really strong team of finance, Health and Safety, Education and Data Protection.

GOVERNANCE STATEMENT (Continued)
FOR THE YEAR ENDED 31 AUGUST 2025

Conflicts of interest

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

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

The Board of Trustees undergoes a continual process of critical self-review and reflection. Skills audits were completed again during the year and Governor recruitment was based around any gaps. This has been especially significant this year due to the end of terms for the Chair and Vice Chair. A number of Governors will be attending committee chair training with the NGA this year in order to support with the succession planning.

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

Attendance at meetings in the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|-------------------------------|-------------------|-------------------|
| Mrs A Aston | 4 | 6 |
| Mr C Brindley | 1 | 6 |
| Mrs C Curtis | 5 | 3 |
| Mrs H Little | 3 | 6 |
| Mr W Parker (Chair Resources) | 6 | 6 |
| Mr M Pauling, Headteacher | 3 | 6 |
| Mr J Phelps | 2 | 2 |
| Mr A Richards | 3 | 3 |
| Mrs W Rowswell | 3 | 3 |
| Mr B Scott | 2 | 2 |
| Mrs A Selwyn | 4 | 6 |

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

Attendance at meetings in the year was as follows.

| Trustee | Meetings attended | Out of a possible |
|---------------------------|-------------------|-------------------|
| Mr C Brindley | 1 | 2 |
| Mr D Clarke | 2 | 2 |
| Mrs C Curtis | 2 | 2 |
| Mrs H Little | 2 | 2 |
| Mr M Pauling, Headteacher | 1 | 2 |

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

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

Attendance at meetings in the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|---------------------------|-------------------|-------------------|
| Mrs A Aston, | 2 | 3 |
| Mr D Clark (Chair) | 3 | 3 |
| Ms L Comer | 2 | 3 |
| Mrs N Kessell | 2 | 3 |
| Mr M Pauling, Headteacher | 3 | 3 |
| Mrs K Milne | 2 | 3 |

REVIEW OF VALUE FOR MONEY

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

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

1. Management and Governance arrangements have enabled regular monitoring of Chosen Hill School's finance. Meetings took place over teams throughout the year. A three-year budget projection, annual budget and regular in year budget reviews have informed decisions to ensure that the School is making the best use of the finance resources in both the long and short term. Management Accounts are produced monthly and shared with Governors.
2. A number of systems are in place to assess and manage risk in relation to the controls of finance. The presence of good systems of internal control is confirmed by the independent internal audit of systems and the finance statements.
3. The Academy works with other local secondary Academy schools to make joint procurements of services wherever possible and where it is advantageous to the Academy.
4. The Academy participates within the Gloucestershire Association of School Business Manager's forum to share advice, procurement information and skills.
5. The Academy continues to review its Financial Policy and housekeeping protocols and has implemented recommendations from audits.
6. The Academy has made use of DfE and CPC procurement initiatives to purchase insurance. We have also used DfE approved suppliers for utilities contract renewals and joined bundle agreements. We are re-tendering the cleaning contract to ensure value for money.

We are continuing to embed our use of 'Every' to streamline process, risk and ensure compliance through the school.

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

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

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

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2024 to 31 August 2025 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

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

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

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

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

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

During the year, two reviews took place. The first visit looked at Budgets and Financial monitoring Income, Bank and Petty Cash and Fixed Assets. The second looked at Credit cards, Expenditure, compliance, Payroll and strategic and operational review. There were 1 red, 0 amber and 2 green issues raised. The red issue was due to not having purchase orders raised for all transactions and as this had been raised previously, was rated as red. This has been addressed through changes to our finance policy making specific provision for certain types of transactions that may not require a purchase order. All other issues from the previous year's report were identified as having been addressed. The recommendations will be addressed in the coming year, or have been addressed already as appropriate.

REVIEW OF EFFECTIVENESS

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

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

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

CONCLUSION

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

Approved by order of the Members of the Board of Trustees on 8/12/2025 2025 and signed on their behalf, by:



**Mrs N Kessell
Chair of Trustees**



**Mr W Witham
Acting Accounting Officer**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the 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 framework of authorities.

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



Mr W Witham
Acting Accounting Officer

Date: 8/12/2015

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS102) and the Academies Accounts Direction 2024 to 2025
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

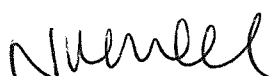
The Trustees are responsible for ensuring that in its conduct and operation, the Charitable Company applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education and Skills Funding Agency and Department for Education have been applied for the purposes intended.

In so far as the trustees are aware:

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

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

Approved by order of the Members of the Board of Trustees on 31.12.2025 and signed on its behalf by:



Mrs N Kessell
Chair of Trustees

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

Opinion

We have audited the financial statements of Chosen Hill School for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP (FRS102) and the Academies Accounts Direction 2024 to 2025.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs as at 31 August 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP (FRS102) and the Academies Accounts Direction 2024 to 2025.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

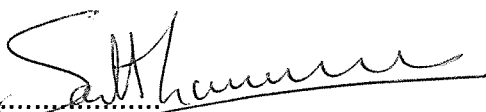
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting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

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

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

Use of our report

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



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

10/12/25
.....
Date

For and on behalf of Hazlewoods LLP, Statutory Auditor

**Staverton Court
Staverton
Cheltenham
GL51 0UX**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHOSEN HILL SCHOOL AND THE SECRETARY OF STATE FOR EDUCATION

In accordance with the terms of our engagement letter dated 11 July 2025 and further to the requirements of the Department for Education (DfE), as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Chosen Hill School during year to 31 August 2025 have not been applied to the purposes intended by Parliament and that the financial transactions do not conform to the authorities which govern them.

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

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

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year to 31 August 2025 have not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

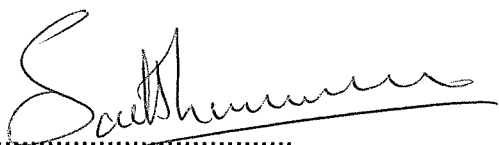
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHOSEN HILL SCHOOL AND THE SECRETARY OF STATE FOR EDUCATION (continued)

The work undertaken to draw to our conclusion includes:

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

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year to 31 August 2025 has not been applied for the purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.



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

10/12/25
.....
Date

For and on behalf of Hazlewoods LLP, Statutory Auditor

**Staverton Court
Staverton
Cheltenham
GL51 0UX**

CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2025

| | Note | Unrestricted Funds £ | Restricted Funds £ | Restricted Fixed Asset Funds £ | Total 2025 £ | Total 2024 £ |
|--|--------------|----------------------------|--------------------------|--|--------------------|--------------------|
| INCOME FROM: | | | | | | |
| Charitable activities | | | | | | |
| Donations and capital grants | 2 | 2,741 | 5,076 | 363,761 | 371,578 | 756,521 |
| Charitable activities | 3 | 269,458 | 9,548,795 | - | 9,818,253 | 9,401,956 |
| Other trading activities | 4 | 74,921 | - | - | 74,921 | 99,781 |
| Investments | 5 | 110,665 | - | - | 110,665 | 124,404 |
| TOTAL | | 457,785 | 9,553,871 | 363,761 | 10,375,417 | 10,382,662 |
| EXPENDITURE ON: | | | | | | |
| Charitable activities: | 6,7 | 302,720 | 9,664,119 | 461,052 | 10,427,891 | 9,930,760 |
| NET INCOME/ (EXPENDITURE) | | 155,065 | (110,248) | (97,291) | (52,474) | 451,902 |
| Transfers between funds | 17 | - | - | - | - | - |
| NET INCOME/ (EXPENDITURE) FOR THE YEAR | | 155,065 | (110,248) | (97,291) | (52,474) | 451,902 |
| Actuarial losses on defined benefit pension schemes | 24 | - | (176,000) | - | (176,000) | (121,000) |
| NET MOVEMENT IN FUNDS | | 155,065 | (286,248) | (97,291) | (228,474) | 330,902 |
| RECONCILIATION OF FUNDS | | | | | | |
| Total funds brought forward at 1 September 2024 | 17,18 | 664,805 | 469,726 | 17,449,992 | 18,584,523 | 18,253,621 |
| TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST 2025 | 17,18 | 819,870 | 183,478 | 17,352,701 | 18,356,049 | 18,584,523 |

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

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

**BALANCE SHEET
AS AT 31 AUGUST 2025**

| | Notes | 2025 £ | 2024 £ |
|---|-------|--------------------|-------------------|
| FIXED ASSETS | | | |
| Tangible assets | 12 | 16,432,231 | 16,719,181 |
| CURRENT ASSETS | | | |
| Stock | 13 | 30,198 | 21,381 |
| Debtors | 14 | 892,871 | 1,026,637 |
| Cash at bank and in hand | | <u>2,234,000</u> | <u>1,974,833</u> |
| | | 3,157,069 | 3,022,851 |
| LIABILITIES | | | |
| Creditors: Amounts falling due within one year | 15 | <u>(1,009,364)</u> | <u>(886,765)</u> |
| NET CURRENT ASSETS | | 2,147,705 | 2,136,086 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>18,579,936</u> | <u>18,855,267</u> |
| Creditors: amounts falling due after more than one year | 16 | (223,887) | (270,744) |
| NET ASSETS EXCLUDING PENSION LIABILITY | | <u>18,356,049</u> | <u>18,584,523</u> |
| Defined benefit pension scheme liability | 24 | <u>-</u> | <u>-</u> |
| TOTAL NET ASSETS | | <u>18,356,049</u> | <u>18,584,523</u> |
| FUNDS OF THE ACADEMY: | | | |
| Restricted funds | | | |
| Fixed asset fund | 17 | 17,352,701 | 17,449,992 |
| Restricted income fund | 17 | <u>183,478</u> | <u>469,726</u> |
| Restricted funds excluding pension asset | 17 | 17,536,179 | 17,919,718 |
| Pension reserve | 17 | <u>-</u> | <u>-</u> |
| Total restricted funds | 17 | 17,536,179 | 17,919,718 |
| Unrestricted income funds | 17 | <u>819,870</u> | <u>664,805</u> |
| TOTAL FUNDS | | <u>18,536,049</u> | <u>18,584,523</u> |

The financial statements on pages 30 to 52 were approved by the Trustees, and authorised for issue on 8/12/2025 and are signed on their behalf by:



Mr W Witham

Registered Number: 07550474

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

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2025**

| | Notes | 2025 £ | 2024 £ |
|--|--------------|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash provided by operating activities | 19 | 5,230 | (874,794) |
| Cash flows from financing activities | 20 | (46,387) | (45,927) |
| Cash flows from investing activities | 21 | 300,324 | 772,702 |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD | | 259,167 | (148,019) |
| Cash and cash equivalents at 1 September 2024 | | 1,974,833 | 2,122,852 |
| CASH AND CASH EQUIVALENTS AT 31 AUGUST 2025 | 22 | 2,234,000 | 1,974,833 |

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

1 Statement of Accounting Policies

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

Basis of Preparation

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Academies Accounts Direction 2024 to 2025, the Charities Act 2011 and the Companies Act 2006. Chosen Hill School meets the definition of a public benefit entity under FRS 102.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

- **Grants**

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

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

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

- **Sponsorship income**

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

- **Donations**

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

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

1 Statement of Accounting Policies (Continued)

- **Other income**

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

Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Taxation

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

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

Tangible Fixed Assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

1 Statement of Accounting Policies (Continued)

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

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

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

Stocks

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

Debtors

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

Cash at bank and in hand

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

Liabilities and Provisions

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

Operating Leases

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

Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

1 Statement of Accounting Policies (Continued)

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest.

Actuarial gains and losses are recognised immediately in other recognised gains and losses. The Academy is a member of a multi-employer plan. Where it is not possible for the Academy to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

Agency Arrangements

The Academy acts as an agent in distributing 16-19 bursary funds from DfE. Payments received from DfE and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy does not have control over the charitable application of the funds. The Academy can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in note 17.

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 Department for Education where the asset acquired or created is held for a specific purpose.

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

As per the actuary's schedule of results for the Local Government Pension Scheme, the total market value of assets exceeds the present value of the scheme liabilities. The actuary's schedule of results valued the pension scheme in an asset position at the year end, however as this asset is unlikely to be realised, it has been reduced to Nil by an asset ceiling adjustment. Significant judgement was used to restrict the surplus using an asset ceiling adjustment as the entity will not be able to recover this surplus in the future.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2025

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 2025. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

2 Donations and Capital Grants

| | Unrestricted Funds £ | Restricted Funds £ | Restricted Fixed Asset Funds £ | Total 2025 £ | Total 2024 £ |
|----------------|-------------------------------------|-----------------------------------|---|-----------------------------|-----------------------------|
| Donations | 2,741 | 5,076 | - | 7,817 | 5,643 |
| Capital grants | - | - | 363,761 | 363,761 | 750,878 |
| Total 2025 | <u>2,741</u> | <u>5,076</u> | <u>363,761</u> | <u>371,578</u> | <u>756,521</u> |
| Total 2024 | <u>1,841</u> | <u>3,802</u> | <u>750,758</u> | <u>756,521</u> | |

3 Funding for the Academy's Education

| | Unrestricted Funds £ | Restricted Funds £ | Total 2025 £ | Total 2024 £ |
|--|-------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| DfE/ESFA revenue grants: | | | | |
| General Annual Grant (GAG) | - | 8,274,271 | 8,274,271 | 7,862,092 |
| Pupil Premium | - | 231,685 | 231,685 | 245,263 |
| Other DfE/ESFA grants | | | | |
| - Supplementary grant | - | - | - | 238,028 |
| - Recovery premium | - | - | - | 83,580 |
| - Teachers pay grant | - | 120,579 | 120,579 | 121,235 |
| - Teachers pension ER contribution grant | - | 213,271 | 213,271 | 111,028 |
| - Core Schools Budget Grant | - | 266,709 | 266,709 | - |
| - Other | - | 42,918 | 42,918 | 71 |
| | <u>-</u> | <u>9,149,433</u> | <u>9,149,433</u> | <u>8,661,297</u> |
| Other government funding: | | | | |
| High Needs | - | 364,381 | 364,381 | 344,405 |
| Other government grants: non capital | - | 32,984 | 32,984 | 85,187 |
| Exceptional government funding | - | 1,997 | 1,997 | 5,874 |
| | <u>-</u> | <u>399,362</u> | <u>399,362</u> | <u>435,466</u> |
| Other Funding | | | | |
| Sales to students | 25,259 | - | 25,259 | 24,717 |
| Catering income | 25,016 | - | 25,016 | 25,000 |
| Trips and music tuition | 219,183 | - | 219,183 | 255,476 |
| | <u>269,458</u> | <u>-</u> | <u>269,458</u> | <u>305,193</u> |
| Total 2025 | <u>269,458</u> | <u>9,548,795</u> | <u>9,818,253</u> | <u>9,401,956</u> |
| Total 2024 | <u>305,193</u> | <u>9,096,763</u> | <u>9,401,956</u> | |

CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2025

4 Income from Other Trading Activities

| | Unrestricted Funds £ | Restricted Funds £ | Total 2025 £ | Total 2024 £ |
|--------------|----------------------------|--------------------------|--------------------|--------------------|
| Lettings | 72,088 | - | 72,088 | 82,500 |
| Other Income | 2,833 | - | 2,833 | 17,281 |
| Total 2025 | <u>74,921</u> | <u>-</u> | <u>74,921</u> | <u>99,781</u> |
| Total 2024 | <u>99,781</u> | <u>-</u> | <u>99,781</u> | |

5 Investment Income

| | Unrestricted Funds £ | Restricted Funds £ | Total 2025 £ | Total 2024 £ |
|---------------|----------------------------|--------------------------|--------------------|--------------------|
| Bank interest | | | | |
| Total 2025 | <u>110,665</u> | <u>-</u> | <u>110,665</u> | <u>124,404</u> |
| Total 2024 | <u>110,665</u> | <u>-</u> | <u>110,665</u> | <u>124,404</u> |
| | <u>124,404</u> | <u>-</u> | <u>124,404</u> | |

6 Expenditure

| | Staff Costs £ | Premises £ | Other Cost £ | Total 2025 £ | Total 2024 £ |
|-------------------------|------------------|------------------|------------------|--------------------|--------------------|
| EDUCATION: | | | | | |
| Direct costs | 7,212,440 | 351,598 | 698,449 | 8,262,487 | 7,454,304 |
| Allocated support costs | 1,026,673 | 886,460 | 242,271 | 2,165,404 | 2,476,456 |
| Total 2025 | <u>8,239,113</u> | <u>1,238,058</u> | <u>950,720</u> | <u>10,427,891</u> | <u>9,930,760</u> |
| Total 2024 | <u>7,656,534</u> | <u>1,157,658</u> | <u>1,116,568</u> | <u>9,930,760</u> | |

7 Analysis of Expenditure by Activities

| | Activities Undertaken Directly 2025 £ | Support Costs 2025 £ | Total 2025 £ | Total 2024 £ |
|------------|---|-------------------------------|--------------------|--------------------|
| EDUCATION | <u>8,262,487</u> | <u>2,165,404</u> | <u>10,427,891</u> | <u>9,930,760</u> |
| Total 2025 | <u>8,262,487</u> | <u>2,165,404</u> | <u>10,427,891</u> | <u>9,930,760</u> |
| Total 2024 | <u>7,454,304</u> | <u>2,476,456</u> | <u>9,930,760</u> | |

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2025

7 Analysis of expenditure by activities (Continued)

Analysis of direct costs

| | Total 2025 £ | Total 2024 £ |
|------------------------|-----------------------------|-----------------------------|
| Staff costs | 7,116,103 | 6,130,034 |
| Depreciation | 351,598 | 351,348 |
| Educational supplies | 178,286 | 282,141 |
| Examination fees | 163,025 | 158,410 |
| Staff development | 15,631 | 16,017 |
| Other costs | 326,938 | 356,528 |
| Agency supply teachers | 110,906 | 159,826 |
| | <u>8,262,487</u> | <u>7,454,304</u> |

Analysis of support costs

| | Total 2025 £ | Total 2024 £ |
|--|-----------------------------|-----------------------------|
| Pension finance cost and FRS102 adjustment | (176,000) | (121,000) |
| Staff costs | 1,026,673 | 1,379,043 |
| Depreciation | 109,454 | 152,457 |
| Other costs | 54,685 | 41,992 |
| Maintenance of premises and equipment | 333,589 | 196,280 |
| Cleaning | 253,533 | 221,685 |
| Rent and rates | - | 17,472 |
| Energy costs | 182,360 | 199,402 |
| Insurance | 40,815 | 36,570 |
| Security and transport | 7,524 | 19,014 |
| Catering | 64,770 | 65,689 |
| Technology costs | 139,441 | 121,504 |
| Office overheads | 61,355 | 47,437 |
| Legal and professional | 59,246 | 90,865 |
| Bank interest and charges | 7,205 | 7,289 |
| Governance | 754 | 757 |
| | <u>2,165,404</u> | <u>2,476,656</u> |

8 NET (EXPENDITURE)/INCOME

Net (expenditure)/income for the year includes:

| | Total 2025 £ | Total 2024 £ |
|---------------------------------------|-----------------------------|-----------------------------|
| Operating lease rentals | 27,065 | 22,020 |
| Depreciation of tangible fixed assets | 461,052 | 503,805 |
| Fees paid to auditors for: | | |
| - audit | 10,820 | 10,300 |
| - other services | 2,320 | 1,170 |
| | <u>499,257</u> | <u>537,300</u> |

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2025

9 Staff

| a. STAFF COSTS AND EMPLOYEE BENEFITS | 2025 | 2024 |
|--|------------------|------------------|
| | £ | £ |
| Staff costs during the year were as follows: | | |
| Wages and salaries | 5,849,459 | 5,517,701 |
| Social security costs | 653,778 | 543,143 |
| Pension costs | 1,634,325 | 1,435,864 |
| | <u>8,137,562</u> | <u>7,496,708</u> |
| Agency Staff costs | 110,906 | 172,272 |
| | <u>8,248,468</u> | <u>7,668,980</u> |

b. STAFF NUMBERS

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

| | 2025 | 2024 |
|----------------------------|-------------|-------------|
| | No. | No. |
| Teachers | 78 | 77 |
| Administration and support | 82 | 76 |
| Management | 8 | 8 |
| | <u>168</u> | <u>161</u> |

The average headcount expressed as full-time equivalents was:

| | 2025 | 2024 |
|--|-------------|-------------|
| | No. | No. |
| Teachers | 70 | 69 |
| Administration and support including teaching assistants | 58 | 55 |
| Management | 8 | 8 |
| | <u>136</u> | <u>132</u> |

c. HIGHER PAID STAFF

| | 2025 | 2024 |
|---------------------------------|-------------|-------------|
| | No. | No. |
| In the band £60,001 - £70,000 | 9 | 7 |
| In the band £70,001 - £80,000 | 3 | 2 |
| In the band £80,001 - £90,000 | 2 | - |
| In the band £100,001 - £110,000 | - | 1 |
| In the band £110,001 - £120,000 | 1 | - |
| | <u>15</u> | <u>10</u> |

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

9 Staff (Continued)

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £886,163 (2024: £887,678).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the Key Management Personnel other than in their role as Trustees, their remuneration as set out in note 10 has not been included in the total benefits received by Key Management Personnel above.

10 Trustees' Remuneration and Expenses

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

| | |
|------------|---|
| M Pauling: | remuneration £110,000 - £120,000 (2024: £100,000 - £110,000) employer's pension contributions £30,000 - £35,000 (2024: £25,000 - £30,000); |
| L Comer: | remuneration £30,000 - £35,000 (2024: £25,000 - £30,000) employer's pension contributions £5,000 - £10,000 (2024: £5,000 - £10,000); |
| A Selwyn: | remuneration £30,000 - £35,000 (2024: £30,000 - £35,000) employers pension contributions £5,000 - £10,000 (2024: £5,000 - £10,000). |

During the year, no Trustees received any benefits in kind (2024: £Nil).

During the year ended 31 August 2025, no Trustee expenses have been reimbursed (2024 - £Nil).

11 Trustees' and Officers' Insurance

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

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

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

12 Tangible Fixed Assets

| | Freehold Property £ | Plant and equipment £ | Total £ |
|------------------------|------------------------------------|--------------------------------------|--------------------|
| Cost | | | |
| At 1 September 2024 | 20,471,729 | 788,558 | 21,260,287 |
| Additions | 139,500 | 34,602 | 174,102 |
| Disposals | - | - | - |
| At 31 August 2025 | <u>20,611,229</u> | <u>823,160</u> | <u>21,434,389</u> |
| Depreciation | | | |
| At 1 September 2024 | 3,964,285 | 576,821 | 4,541,106 |
| Charged in year | 351,598 | 109,454 | 461,052 |
| Eliminated on disposal | - | - | - |
| At 31 August 2025 | <u>4,315,883</u> | <u>686,275</u> | <u>5,002,158</u> |
| Net book values | | | |
| At 31 August 2025 | <u>16,295,346</u> | <u>136,885</u> | <u>16,432,231</u> |
| At 31 August 2024 | <u>16,507,444</u> | <u>211,737</u> | <u>16,719,181</u> |

Included in freehold property is freehold land at Valuation of £2,890,428 (2024: £2,890,428) which is not depreciated.

13 Stock

| | 2025 £ | 2024 £ |
|------------------|-------------------|-------------------|
| Goods for resale | <u>30,198</u> | <u>21,381</u> |

14 Debtors

| | 2025 £ | 2024 £ |
|--------------------------------|-------------------|-------------------|
| Trade debtors | 8,629 | 2,896 |
| Other debtors | - | 455 |
| VAT recoverable | 98,806 | 82,997 |
| Prepayments and accrued income | <u>785,436</u> | <u>940,289</u> |
| | <u>892,871</u> | <u>1,026,637</u> |

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

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

15 Creditors: amounts falling due within one year

| | 2025 | 2024 |
|------------------------------------|------------------|----------------|
| | £ | £ |
| ESFA Loan | 19,233 | 19,233 |
| CIF Loan | 23,788 | 23,318 |
| SALIX Loan | 3,837 | 3,837 |
| Trade creditors | 312,956 | 168,755 |
| Other taxation and social security | 156,785 | 122,777 |
| Other creditors | 186,296 | 166,873 |
| Accruals and deferred income | 306,469 | 381,972 |
| | <u>1,009,364</u> | <u>886,765</u> |

| | 2025 | 2024 |
|-------------------------------------|----------------|----------------|
| | £ | £ |
| Deferred income | | |
| Deferred income at 1 September 2024 | 230,288 | 264,488 |
| Released from previous years | 189,267 | (264,488) |
| Resources deferred in the year | (230,288) | 230,288 |
| Deferred Income at 31 August 2025 | <u>189,267</u> | <u>230,288</u> |

At the balance sheet date the academy trust was holding funds received in advance for school trips, personal education plans and lettings.

16 Creditors: amounts falling due after more than one year

| | 2025 | 2024 |
|------------|----------------|----------------|
| | £ | £ |
| ESFA loan | 76,930 | 96,161 |
| CIF loan | 128,987 | 151,457 |
| SALIX loan | 17,970 | 23,126 |
| | <u>223,887</u> | <u>270,744</u> |

Included within the above are amounts falling due as follows:

BETWEEN ONE AND TWO YEARS

| | | |
|------------|---------------|---------------|
| ESFA loan | 19,232 | 19,233 |
| CIF loan | 24,262 | 23,779 |
| SALIX loan | 3,837 | 3,837 |
| | <u>47,331</u> | <u>46,849</u> |

BETWEEN TWO AND FIVE YEARS

| | | |
|------------|----------------|----------------|
| ESFA loan | 57,698 | 57,698 |
| CIF loan | 50,102 | 57,303 |
| SALIX loan | 11,511 | 11,511 |
| | <u>119,311</u> | <u>126,512</u> |

OVER FIVE YEARS

| | | |
|------------|---------------|---------------|
| ESFA loan | - | 19,230 |
| CIF loan | 54,623 | 70,375 |
| SALIX loan | 2,622 | 7,778 |
| | <u>57,245</u> | <u>97,383</u> |

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

CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2025

17 Statement of funds

| | Balance at 1 Sept 2024 £ | Income £ | Expenditure £ | Gains/ (Losses) and transfers £ | Balance at 31 August 2025 £ |
|--|-----------------------------------|-------------|------------------|---|--------------------------------------|
| UNRESTRICTED FUNDS | | | | | |
| General funds | 664,805 | 457,785 | (302,720) | - | 819,870 |
| RESTRICTED FUNDS | | | | | |
| General Annual Grant (GAG) | 469,726 | 8,274,271 | (8,560,519) | - | 183,478 |
| Pupil Premium | - | 231,685 | (231,685) | - | - |
| Other DfE/ESFA | - | 643,477 | (643,477) | - | - |
| High needs | - | 364,381 | (364,381) | - | - |
| Other government grants | - | 34,981 | (34,981) | - | - |
| Other income | - | 5,076 | (5,076) | - | - |
| Pension reserve | - | - | 176,000 | (176,000) | - |
| | 469,726 | 9,553,871 | (9,664,119) | (176,000) | 183,478 |
| RESTRICTED FIXED ASSET FUNDS | | | | | |
| Fixed assets transferred on conversion | 11,533,113 | - | (234,936) | - | 11,298,177 |
| Fixed assets purchased from GAG and other restricted funds | 5,916,879 | 363,761 | (226,116) | - | 6,054,524 |
| | 17,449,992 | 363,761 | (461,052) | - | 17,352,701 |
| TOTAL RESTRICTED FUNDS | 17,919,718 | 9,917,632 | (10,125,171) | (176,000) | 17,536,179 |
| TOTAL FUNDS | 18,584,523 | 10,375,417 | (10,427,891) | (176,000) | 18,356,049 |

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

17 Statement of funds (Continued)

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

Restricted Funds

Donations represent income received for a specific purpose.

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

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

Other ESFA and DfE includes reimbursement of rates, funding received in respect of recovery premium, National Tutoring/School-Led Tutoring grant, additional funding to help with the increase in teachers' pension contributions during the year, the teachers' pay grant and the teachers employer national insurance contribution grant.

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

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

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

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

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

Fixed Asset Funds

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

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

Fixed assets purchased from other restricted funds represents CIF funding received from the ESFA and DfE to support capital projects undertaken by the Academy, devolved formula capital grants from the ESFA for purchase of fixed assets and other restricted funds used for the purchase of fixed assets. During the year, the Academy received £730,811 as a result of a successful CIF bid from the ESFA in order to build a new classroom. This work will take place in the 2024/2025 academic year.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2025.

CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2025

17 Statement of funds (Continued)

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

| | Balance at 1 Sept 2023 £ | Income £ | Expenditure £ | Gains/ (Losses) and transfers £ | Balance at 31 August 2024 £ |
|--|-----------------------------------|-------------|------------------|---|--------------------------------------|
| UNRESTRICTED FUNDS | | | | | |
| General funds | 472,676 | 531,219 | (339,090) | - | 664,805 |
| RESTRICTED FUNDS | | | | | |
| General Annual Grant (GAG) | 660,539 | 7,862,092 | (7,970,392) | (82,513) | 469,726 |
| Pupil Premium | - | 245,263 | (245,263) | - | - |
| Other DfE/ESFA | - | 553,942 | (553,942) | - | - |
| High needs | - | 344,405 | (344,405) | - | - |
| Other government grants | - | 91,061 | (91,061) | - | - |
| Other income | - | 3,802 | (3,802) | - | - |
| Pension reserve | - | - | 121,000 | (121,000) | - |
| | 660,539 | 9,100,565 | (9,087,865) | (203,513) | 469,726 |
| RESTRICTED FIXED ASSET FUNDS | | | | | |
| Fixed assets transferred on conversion | 11,768,049 | - | (234,936) | - | 11,533,113 |
| Fixed assets purchased from GAG and other restricted funds | 5,352,357 | 750,878 | (268,869) | 82,513 | 5,916,879 |
| | 17,120,406 | 750,878 | (503,805) | 82,513 | 17,449,992 |
| TOTAL RESTRICTED FUNDS | 17,780,945 | 9,851,443 | (9,591,670) | (121,000) | 17,919,718 |
| TOTAL FUNDS | 18,253,621 | 10,382,662 | (9,930,760) | (121,000) | 18,584,523 |

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2025

18 Analysis of net assets between funds

Analysis of net assets between funds – current period

| | Unrestricted Funds £ | Restricted General £ | Restricted Fixed Asset £ | Total Funds 2025 £ |
|--------------------------|----------------------------|----------------------------|-----------------------------------|--------------------------|
| Tangible fixed assets | - | - | 16,432,231 | 16,432,231 |
| Current assets | 819,870 | 1,416,729 | 920,470 | 3,157,069 |
| Current liabilities | - | (1,009,364) | - | (1,009,364) |
| Non-current liabilities | - | (223,887) | - | (223,887) |
| Pension scheme liability | - | - | - | - |
| Total net assets | 819,870 | 183,478 | 17,352,701 | 18,356,049 |

Analysis of net assets between funds – Prior Period

| | Unrestricted Funds £ | Restricted General £ | Restricted Fixed Asset £ | Total Funds 2024 £ |
|--------------------------|----------------------------|----------------------------|-----------------------------------|--------------------------|
| Tangible fixed assets | - | - | 16,719,181 | 16,719,181 |
| Current assets | 664,805 | 1,627,235 | 730,811 | 3,022,851 |
| Current liabilities | - | (886,765) | - | (886,765) |
| Non-current liabilities | - | (270,744) | - | (270,744) |
| Pension scheme liability | - | - | - | - |
| Total net assets | 664,805 | 469,726 | 17,449,992 | 18,584,523 |

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

| | 2025 £ | 2024 £ |
|--|--------------|------------------|
| Net income/(expenditure) for the period (as per the statement of financial activities) | (52,474) | 451,902 |
| Adjustments for: | | |
| Depreciation | 461,052 | 503,805 |
| Capital grants from DfE and other capital income | (363,761) | (750,878) |
| Interest receivable | (110,665) | (124,404) |
| Defined benefit pension scheme cost less contributions payable | (136,000) | (110,000) |
| Defined benefits pension scheme finance (income)/cost | (40,000) | (10,000) |
| (Increase)/decrease in stocks | (8,817) | (4,446) |
| (Increase)/decrease in debtors | 133,766 | (659,585) |
| Increase/(decrease) in creditors | 122,129 | (170,188) |
| Net cash provided by operating activities | 5,230 | (874,794) |

CHOSEN HILL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2025

20 Cash flows from financing activities

| | 2025 £ | 2024 £ |
|--|------------------|-----------------|
| Repayment of borrowing | (46,387) | (45,927) |
| Net cash used in financing activities | <u>(46,387)</u> | <u>(45,927)</u> |

21 Cash flows from investing activities

| | 2025 £ | 2024 £ |
|--|------------------|----------------|
| Interest | 110,665 | 124,404 |
| Purchase of tangible fixed assets | (174,102) | (102,580) |
| Capital grants from DfE Group | 363,761 | 750,878 |
| Net cash provided by/(used in) investing activities | <u>300,324</u> | <u>772,702</u> |

22 Analysis of cash and cash equivalents

| | At 31 August 2025 £ | At 31 August 2024 £ |
|--|---|------------------------------|
| Cash in hand and at bank | 2,234,000 | 1,974,833 |
| Total cash and cash equivalents | <u>2,234,000</u> | <u>1,974,833</u> |

23 Analysis of changes in net funds

| | At 1 September 2024 £ | Cash Flows 2025 £ | New Finance Leases 2025 £ | Other Non-cash Changes 2025 £ | At 31 August 2025 £ |
|--------------------------------|--------------------------------|----------------------------|---------------------------------------|---|------------------------------|
| Cash at bank and in hand | 1,974,833 | 259,167 | - | - | 2,234,000 |
| ESFA loan (due within 1 year) | (19,233) | 19,231 | - | (19,231) | (19,233) |
| ESFA loan (due after 1 year) | (96,161) | - | - | 19,231 | (76,930) |
| CIF loan (due within 1 year) | (23,318) | 22,000 | - | (22,470) | (23,788) |
| CIF loan (due after 1 year) | (151,457) | - | - | 22,470 | (128,987) |
| SALIX loan (due within 1 year) | (3,837) | 5,156 | - | (5,156) | (3,837) |
| SALIX loan (due after 1 year) | (23,126) | - | - | 5,156 | (17,970) |
| | <u>1,657,701</u> | <u>305,554</u> | <u>-</u> | <u>-</u> | <u>1,963,255</u> |

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

24 Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS to the period ended 31 March 2022.

Contributions amounting to £129,180 (TPS) and £56,864 (LGPS) were payable to the schemes at 31 August 2025 (2024 - £119,173 (TPS) and £46,066 (LGPS)) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

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

The result of this valuation will be implemented from 1 April 2024. 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 £1,146,997 (2024: £967,750).

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

Under the definitions set out in FRS102, the TPS is an unfunded multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

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

24 Pension commitments (continued)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2025 was £615,585 (2024: £558,322), of which employer's contributions totalled £506,412 (2024: £460,928) and employees' contributions totalled £109,173 (2024: £97,395). The agreed contribution rates for future years are 28.3% for employers and an average of 6% for employees.

As described in note 23 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

Principal actuarial assumptions

| | At 31 August 2025 | At 31 August 2024 |
|--|----------------------------------|----------------------------------|
| Rate of increase in salaries | 3.20% | 3.15% |
| Rate of increase for pensions in payment/inflation | 2.70% | 2.65% |
| Discount rate for scheme liabilities | 6.05% | 5.00% |

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

| | At 31 August 2025 | At 31 August 2024 |
|------------------------|----------------------------------|----------------------------------|
| Retiring today - | | |
| Males | 22.0 | 21.7 |
| Females | 24.6 | 24.5 |
| Retiring in 20 years - | | |
| Males | 21.4 | 21.2 |
| Females | 25.7 | 25.7 |

Sensitivity analysis

| | 2025 | 2024 |
|---------------------|-------------|-------------|
| | £ | £ |
| Discount rate -0.5% | 540,000 | 635,000 |
| CPI rate +0.5% | 540,000 | 625,000 |

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2025

24 Pension commitments (continued)

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

| | Fair value at 31 August 2025 | Fair value at 31 August 2024 |
|---------------------------------------|---|---|
| | £ | £ |
| Equities | 5,302,000 | 4,648,000 |
| Corporate bonds | 1,739,000 | 1,598,000 |
| Property | 1,077,000 | 944,000 |
| Cash and other liquid assets | 166,000 | 73,000 |
| Total market value of assets | 8,284,000 | 7,263,000 |
| Present value of scheme assets | (5,968,000) | (6,545,000) |
| Asset ceiling adjustment | (2,316,000) | (718,000) |
| Deficit on the scheme | - | - |

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

The actual return on scheme assets was £590,000 (2024: £785,000)

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

| | 2025 | 2024 |
|----------------------|------------------|------------------|
| | £ | £ |
| Current service cost | (362,000) | (350,000) |
| Past service cost | - | - |
| Interest income | 374,000 | 327,000 |
| Interest cost | (334,000) | (317,000) |
| Total | (322,000) | (340,000) |

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

| | 2025 | 2024 |
|--------------------------|------------------|------------------|
| | £ | £ |
| At 1 September | 6,545,000 | 5,977,000 |
| Current service cost | 362,000 | 350,000 |
| Interest cost | 334,000 | 317,000 |
| Employee contributions | 107,000 | 100,000 |
| Actuarial losses/(gains) | (1,206,000) | (2,000) |
| Benefits paid | (174,000) | (197,000) |
| At 31 August | 5,968,000 | 6,545,000 |

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

| | 2025 | 2024 |
|--------------------------|------------------|------------------|
| | £ | £ |
| At 1 September | 7,263,000 | 6,114,000 |
| Interest income | 374,000 | 327,000 |
| Actuarial gains/(losses) | 216,000 | 458,000 |
| Employer contributions | 498,000 | 461,000 |
| Employee contributions | 107,000 | 100,000 |
| Benefits paid | (174,000) | (197,000) |
| At 31 August | 8,284,000 | 7,263,000 |

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2025

25 Operating lease commitments

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

| | 2025 £ | 2024 £ |
|--|---------------|---------------|
| Not later than 1 year | 18,083 | 26,665 |
| Later than 1 year and not later than 5 years | <u>27,175</u> | <u>45,258</u> |
| | <u>45,258</u> | <u>71,923</u> |

26 Members' liability

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

27 Agency arrangements

The Academy distributes 16-19 bursary funds to students as an agent for ESFA/DfE. In the accounting period ended 31 August 2025 the Academy received £9,628 (2024: £10,477) and disbursed £3,371 (2024: £2,218) from the fund. An amount of £17,197 (2024: £10,941) is included in deferred income relating to the undistributed funds.