

Highams Park Academy Trust

Annual Report and Financial Statements

31 August 2023

Company limited by Guarantee
Registration No. 07738801 (England and
Wales)

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Reference and administrative information

Name	Highams Park Academy Trust
Company registration number	07738801
Members	Mr A Benton Mr M Bunyan Mr S Carter (Resigned 7 December 2022) Mr R Hutchinson Mr P Philip (Resigned 15 October 2022) Mr S Riches
Trustees	Mr N Armsby, Principal and Accounting Officer (Appointed 1 January 2023) Mr A Benton Mr D Brown Mrs C Crossley (Re-appointed 8 June 2022) Mrs M Eze (Appointed 29 September 2022) Mr P Grundy, Principal and Accounting Officer (Resigned 31 December 2022) Mrs G Hogan Mr E Mesel (Appointed 29 September 2022) Mr R Palmer Mrs T Penfold, Chair of Trustees Mrs C Proffitt (nee Edward) (Resigned 10 March 2023) Mr A Sikora (Resigned 31 August 2023)
Company Secretary	Dr T Morris
Chief Executive Officer	Mr P Grundy (Resigned 31 December 2022) Mr N Armsby (Appointed 1 January 2023) The Chief Executive Officer of the Trust is also the Principal of the School and is referred to throughout this Report as the Principal or the Accounting Officer.
Registered office	Highams Park School Handsworth Avenue London E4 9PJ

Reference and administrative information

Senior management team

Principal	Mr P Grundy (Resigned 31 December 2022)
Principal	Mr N Armsby (Appointed 1 January 2023)
Deputy Principal	Mr T Capewell (Resigned 31 August 2023)
Deputy Principal	Mr N Hyde
Deputy Principal	Mrs A Osman (Appointed 1 January 2023)
Vice Principal	Dr T Morris
Academy Business Officer	Mr J Adeshina
Chief Operations Officer	Mr R Palmer
Assistant Vice Principal	Mr T Jolly
Assistant Vice Principal	Mr L McDonnell (Appointed 17 April 2023)
Assistant Vice Principal	Mr C Robinson (Appointed 17 April 2023)
Assistant Vice Principal	Mrs D Stephens
Assistant Vice Principal	Mr N Tobias (Appointed 1 September 2022)
Designated Safeguarding Lead	Mr J Lampshire

Auditor

Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Bankers

Royal Bank of Scotland
747 Attercliffe Road
Sheffield
S9 3RF

Solicitors

Winckworth Sherwood LLP
Minerva House
5 Montague Close
London
SE1 9BB

The Trustees present their Annual Report together with the financial statements and Auditor's Report of the Highams Park Academy Trust (the Charitable Company, the Academy or the Trust) for the year 1 September 2022 to 31 August 2023. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under Company Law.

Several acronyms are referred to within the report. These have been clarified below:

- ♦ PAN – Pupil Admissions Number (maximum number of students admitted to each year group).
- ♦ SLMT – Senior Leadership and Management Team.
- ♦ FFT – Fisher Family Trust (organisation used to compare data from different schools).
- ♦ BTEC – Business and Technology Education Council qualification.
- ♦ ALPS – A Level Progress score. A measure on how much progress has been made in each subject compared nationally.
- ♦ EBACC - The English Baccalaureate (EBacc). This is an accountability measure in England. It measures the proportion of children who secure a grade 5 or above in English, Maths, Science, a humanity and language GCSE. Arts subjects are not included.

Constitution

The Academy Trust is a Company limited by guarantee and an exempt charity incorporated by a Memorandum of Association on 12 August 2011. That Memorandum and the Trust's Articles of Association are its primary governing documents.

The object of the Trust is to operate the Academy known as Highams Park School ("the School") under a Funding Agreement with the Secretary of State for Education. The School is an independent state funded school for students aged 11-18. It admits annually 240 students aged 11. It has a sixth form of some 356 students, the majority having been students at the School from the age of 11. For the year 2022/23 the total number of students was 1554.

Structure, Governance and Management

The Trust is a Company limited by guarantee and an exempt charity. Its Memorandum and Articles of Association are the primary governing documents. The Trustees are also the Directors of the Charitable Company for the purposes of Company Law.

Members' liability

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

Trustees' indemnities

The Trust's insurance includes provision for Trustees' third-party indemnity.

Method of recruitment and appointment or election of trustees

The Trustees are also the Directors of the Trust as a Limited Company and are the Trustees of the Academy. They are appointed as follows:

- ◆ Up to seven Foundation Trustees appointed by the Members;
- ◆ Two Trustees elected by the parents of students registered at the School;
- ◆ Two Trustees elected by the staff of the School;
- ◆ The Principal ex officio; and
- ◆ Up to three Trustees co-opted by the Trust.

Each Foundation and co-opted Trustee is appointed for a term of four years and may be reappointed. Each Trustee elected by the parents or the staff is elected for a period of four years and, if eligible, may be re-elected.

Policies and procedures adopted for the induction and training of Trustees

New Trustees are provided with a range of bespoke training after establishing, via a skills and knowledge audit, their individual needs and requirements.

All Trustees are provided with the latest Department for Education ("DfE") Governance Handbook and guidance documents from the Charity Commission on their roles and responsibilities as well as the Academies Trust Handbook.

All Trustees participate in a continuing development training and development programme and have access to a secure online library of guidance, information and advice provided by the DfE, the Education and Skills Funding Agency and the Charity Commission. The library also contains other important reference documents for their ease of use.

Individual Trustees have attended various training courses offered by London Borough of Waltham Forest Governor services.

Organisational structure

Responsibilities - the Trustees

Under the Articles of Association, the business of the Trust is managed by the Trustees who may delegate the exercise of their functions; subject to limitations set out in the Articles, the Trust's Funding Agreement with the Secretary of State for Education and the Regulations of the Education and Skills Funding Agency ("ESFA").

To this end the Trustees have adopted and developed a Scheme of Delegation under which they have established standing and Task Committees of Trustees to whom the Principal reports and through whom the performance of the School is monitored and evaluated.

The Policy and Scheme of Delegation including the updated Committee Remits was approved at a Full Trustees Meeting in September 2022.

Organisational structure (continued)

Responsibilities - the Principal

The Principal, as the Trust's Accounting Officer, has specific responsibilities set out by the ESFA. Other responsibilities for the management and operation of the Trust are exercised by the Principal under the Trust's Scheme of Delegation.

Responsibilities - the executive leadership - the Senior Leadership and Management Team

Under the direction of the Principal, the SLMT are collectively responsible for the day-to-day running of the School, in particular recommendation regarding the appointing and managing staff; managing the School's finances and resources; designing, organising the delivery of and monitoring the School's curriculum; evaluating students' progress and achievements; and supervising student discipline.

Individually, each SLMT member has designated areas of responsibility which may be varied by the Principal from time to time.

Arrangements for setting pay and remuneration of key management personnel

No Trustee (other than the Principal and Trustees appointed to the staff of the Academy) was paid or remunerated.

The Trust's policy on and arrangements for teachers' pay and remuneration have due regard to the current School Teachers' Pay and Conditions Document (STPCD) issued by the Department for Education. Under this policy the pay and remuneration of the Principal, the Deputy Principals, four of the posts of Vice Principal, the Assistant Principals and the Trustee appointed by the teaching staff was determined in 2022/23 accordance with the criteria set out in 2022 STPCD.

The pay and remuneration of the Chief Finance Officer is on National Joint Council for Local Government Services (NJC) scales benchmarked by comparison with similar posts in other schools and approved by the Trustees.

Related parties and other connected charities and organisations

The Trust is connected with the Highams Park Charitable Trust and is not connected with, or related to, any other organisations or parties.

Any transaction where a Trustee has registered a pecuniary interest is undertaken in accordance with the procedures outlined in the Academies Trust Handbook.

The School contributes to the Local Authority Trade Union facility time. The School Union Representatives are also given a reduced timetable (1 hour per week) to enable them to discharge their function at a local school level. They are also released from school to carry out union training and to attend regional union meetings.

Objectives and activities

Objects and aims

The Trust's object is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Objectives, strategies and activities

In pursuance of the 'object' and aims, the Trust expects the School's strategies and activities to meet the following Core Values and to:

- ◆ Remain a fully comprehensive mixed 11-18 local School providing a broad and balanced curriculum;
- ◆ Ensure high standards of work, behaviour, dress and achievement for all students;
- ◆ Develop cheerful, hard-working, honest and well behaved, fit and healthy young adults;
- ◆ Ensure a safe learning environment where all are valued;
- ◆ Ensure equality of opportunity for all;
- ◆ Produce people willing and able to play an active and positive role in a rapidly changing world;
- ◆ Develop students' sense of respect for themselves and others;
- ◆ Provide opportunities for students to develop their own spiritual and moral capacities;
- ◆ Promote students' appreciation of other cultures;
- ◆ Encourage students to accept their responsibilities to themselves, the School, and the local and wider communities;
- ◆ Demonstrate accountability, transparency and propriety and compliance with the Trust's funding agreement;
- ◆ Continue to develop as an important part of the local community; and
- ◆ Develop continually as an organisation committed to learning for students, staff and the local community.

Public benefit

The Trustees confirm that through the School's working towards the object as set out in this report they have complied with the Charity Commission's guidance on public benefit.

Strategic report

Achievements and performance

Key Financial Performance Indicators

The review of the monthly management reports with the Chair ensures variances are reported in a timely manner so that an action plan can be identified where actual activity has deviated from what was planned for in the budget.

Several Key Performance Indicators are identified and monitored through the use of DfE tools and a process of benchmarking with similar schools in order to understand how the school can use resources most efficiently.

Members of the Resources Committee review the Trust's three-year Medium-Term Financial Plan throughout the year. A working group across finance, management and Trustees ensure it is continuously updated with any new risks associated with the Trust, such as the transition to the National Funding Formula or fluctuations in student numbers.

Parents' and students' preference for places at the School

The school remains popular and consistently obtains its PAN of 240 students per year groups 7-11. This year there were 247 'first preference' from a total of 732 application. This is a large increase from last year where there were fewer than normal 'first preference' applications - 177 from a total of 720 applications. However, the previous year was considered to be a blip in the numbers as the intake was lower than normal across the Local Authority.

6th Form Students' Achievements 2022-23

- ◆ A-level pass rate 99.8%. This was the second highest rate across Waltham Forest.
- ◆ A-level passes between A* and B grades 49.1%. This was the highest amongst Sixth Forms in Waltham Forest.
- ◆ A-level passes between A*-C grades were 79%. This was significantly above the national average of 73%.
- ◆ FFT data shows that high performing groups included black African students, male students and white British students, with progress for these groups all significantly above national average.
- ◆ At BTEC, 100% of results were D*-P, 98% being D*-M and 79% being D*-D. These are all above national averages.
- ◆ At BTEC, 118 grades were given. 71 of these were at Distinction or above, with only 1 pass mark awarded.
- ◆ Our ALPs score rose to a 2 for A level and 3 for BTEC qualifications. This maintains the school having significantly above average progress across the country.

Strategic report (continued)

Achievements and performance (continued)

6th Form Students' Achievements 2022-23 (continued)

- ◆ Out of the 342 grades awarded across the cohort for A level results, only 4 were Us. This is in line with previous outcomes. The Us came from Biology, Chemistry, Maths and Physics.
- ◆ Psychology, Sociology and Computer Science results were highlighted by FFT data as being significantly above national average for progress.
- ◆ Over 82% of students progressed into higher education in their first-choice university, with 2 students attending the University of Oxford and 2 students moving onto a Medicine course.

Key Stage 4 Achievements 2022-23

Performance Measure	2023 Score	2022 Score	2021 Score	2019 Score	Explanation
Attainment 8 score	4.89	5.15	5.03	4.69	Average GCSE grade for all students in their best 8 subjects, with Maths and best English grade double counted.
Progress 8 overall score	-0.05	-0.10	No national data to calculate P8 scores	-0.09	The average for all educational institutions is zero. The progress 8 score is the overall difference between students' average GCSE grades (as above) and the average grades achieved nationally by students with the same KS2 scores. This is the main national progress measure.
Progress 8 English Element	-0.15	-0.25	No national data to calculate P8 scores	-0.16	Difference between students' best English GCSE grade and the average grades achieved nationally by students with the same KS2 scores.
Progress 8 Maths Element	+0.15	0.00	No national data to calculate P8 scores	-0.02	Difference between students' Maths GCSE grade and the average grades achieved nationally by students with the same KS2 scores.
Progress 8 EBacc Element	-0.01	-0.14	No national data to calculate P8 scores	+0.06	Difference between students' best three EBacc GCSE grades (Sciences, Computer Science, Geography, History and Languages) and the average grades achieved nationally by students with the same KS2 scores.
Progress 8 Open Element	-0.15	-0.13	No national data to calculate P8 scores	-0.22	Difference between students' remaining KS4 grades not counted so far and the average grades achieved nationally by students with the same KS2 scores.
EBacc point score	4.30	4.54	4.31	4.23	Average GCSE grade for all students in each student's set of EBacc subject grades (English, Maths, Science, Humanities and Language) – includes a zero grade for each of the five subject areas for those students who didn't take a subject.
English & Maths 'strong' pass (5's)	49%	58%	50%	39%	Percentage of students achieving a grade 5 or better in one of their English GCSEs and their Maths GCSE.
English & Maths 'good' pass (4's)	72%	77%	76%	64%	Percentage of students achieving a grade 4 or better in one of their English GCSEs and their Maths GCSE.
EBacc strong pass (5)	20%	21%	14%	18%	Percentage of students achieving a grade 5 or better in all EBacc subject categories (see EBacc point score).
EBacc good pass (4)	26%	29%	21%	27%	Percentage of students achieving a grade 4 or better in all EBacc subject categories (see EBacc point score).

Going concern

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

Financial review

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education and Skills Funding Agency (ESFA). Excluding capital income, the Trust received £11,240k of GAG and other income during the year ended 31 August 2023 (2022: £10,651k). A high proportion of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £10,569k before depreciation and LGPS pension costs (2022: £10,144k), leaving a surplus of £671k (2022: £507k).

The Trust brought forward from 2021/22, £478k and £1,131k split between restricted and unrestricted income funds. The carry forward on these reserves in 2022/23 is £211k and £1,489k.

Reserves policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 was £1,700k. These funds are required to comply with the Trust's funding agreement to set a balanced budget.

It is forecast that a balanced budget can be achieved up to the period covered in the Trust's medium term financial plan with contributions from reserves each year.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £2,124k (2022: £2,093k).

Due to the accounting rules for Local Government Pension Scheme under FRS102, the Trust is recognising a pension fund deficit of £1,374k. This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Investment policy

The Trust seeks to gain the best financial return within the level of risk considered to be acceptable by the Board and in compliance with the Charity Commission guidance on Investments.

Currently there are no planned investments.

Principal risks and uncertainties

The Trustees' financial and internal controls continue to conform to guidelines issued by the Education and Skills Funding Agency (ESFA).

The Trust maintains a risk register identifying the major risks to which it is exposed and has identified actions and procedures to mitigate these risks. This register was monitored by the Audit and Risk Committee. The risks facing the Trust at an operational level are addressed by its systems and by internal financial and other controls.

The Trust appoints an external company to provide Internal Audit services. They visit once per term and issue a report on the performance of internal controls and compliance with the funding agreement as per the Academies Trust handbook and other DfE guidance. As a standing item on the Audit and Risk Committee a tracking document which measures progress against the recommendations made is presented. Trustees are able to challenge any items that are not being actioned and gain assurance over the integrity of the internal controls in place.

The Audit and Risk Committee holds the function of the Trust's Audit compliance.

The Trustees have assessed the principal risks and uncertainties facing the Trust as follows:

- ◆ Impact on schools funding as the result of the National Funding Formula. This is an ongoing risk as the Government continue to signal that public spending will remain very tight.
- ◆ Impact of pay awards that are not fully funded.
- ◆ Impact of increased employers pensions contributions
- ◆ A falling pupil roll. This is highly unlikely in respect of Year 7 admissions, unless there is a drop in student numbers in the main feeder schools. The School continues to be a popular choice amongst parents. However, there have been some fluctuations in year groups 8 to 11 leading the school to forecast slightly less students than 240 across these year groups.
- ◆ 6th Form admissions are much more volatile and difficult to predict as there are growing numbers of alternative 6th Form providers in the vicinity.
- ◆ Staff recruitment and retention. However, vacancies attract a reasonably healthy level of interest and applications.
- ◆ Bank balances & investments. There is no significant risk other than the bank ceasing to trade.
- ◆ Debtors. Other than HMRC reclaimed VAT, there are no material debtors.

Fundraising

The Academy Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership and Management Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the Trust's complaints procedure.

Plans for future periods

The School has a Development Plan, reviewed and updated annually, prepared by the Principal and SLMT and submitted to the Trustees for consideration, approval and monitoring.

Trade union facilities

The Academy has not outsourced its trade union facility to a third party for 2022/23. The total cost of the service for the year was therefore £nil (2022: £3,230).

Auditor

Each of the persons who are Trustees at the time this Report was approved has confirmed that:

- ◆ So far as the Trustees are aware, there is no relevant audit information of which the Trust's Auditors are unaware, and;
- ◆ that the Trustees have taken all the steps that ought to have been taken as Trustees in order to be aware of any information needed by the Trust's Auditors in connection with preparing their Report and to establish that the Trust's Auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 7/12/23 and signed on its behalf by:

Mrs T Penfold

Chair



07 December 2023

Scope of responsibility

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

As Trustees, we are required to declare any Pecuniary Interests at the start of each academic year and to update any changes that may occur during the year. A register of interest is published on the school website and is updated accordingly. In accordance with the Articles of Association, as Trustees if we have any direct or indirect personal interest which conflicts or may conflict with our duties as a Trustee we must disclose that fact to the Trustees as soon as we become aware of it. We absent ourselves from any discussions of the Trustees in which it is possible that a conflict will arise between our duty and act solely in the interests of the Academy Trust. At the start of every Trustee meeting, we are required to declare any Conflict of Interest for any items on the Agenda. If there is a conflict of interest we are asked to leave the meeting while the item is discussed.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform to 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 Highams Park Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Full Board of Trustees and the resources sub-committee meet six times a year. The Academy Effectiveness Committees and the Audit and Risk Committee met 4 times a year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee attendance - Full Board

Trustee	Meetings attended	Out of possible
Mr N Armsby (Principal and accounting Officer)	5	5
Mr A Benton	5	6
Mr D Brown	6	6
Mrs C Crossley	6	6
Mrs M Eze	4	6
Mr P Grundy (Principal and accounting Officer) (Resigned 31 December 2022)	2	2
Mr E Mesel	4	6
Mrs G Hogan	4	6
Mr R Palmer	6	6
Mrs T Penfold (Chair)	6	6
Mrs C Proffitt (Resigned 10 March 2023)	3	3
Mr A Sikora (Resigned 31 August 2023)	5	6

The Chair of the Board of Trustees (Mrs T Penfold) was reappointed and was also elected as Chair of the Resources Committee Mrs G Hogan was elected the Chair of Academy Effectiveness Committee.

Trustee attendance - Full Board (continued)

The Board of Trustees are addressing the longer-term plan for the School with the view to possibly appoint further Trustees who will join also the Resources Committee and / or the Academy Effectiveness Committee. Towards the end of the year Mrs C Crossley and Mrs G Hogan were reappointed as Co-opted Trustees as their term of office elapsed as Parent Trustees. Two new Parent Trustees, Mrs M Eze and Mr E Mesel have been elected and started in September 2022.

Resources Committee

The Resources Committee meet regularly to monitor budget performance holding the Principal and Chief Finance Officer to account for all aspects of the Trust's governance policies and its financial management.

The Committee report accordingly to the Board of Trustees.

The Committee also review the Principal's budget planning and draft forward budget, making recommendations for its approval to the Board of Trustees.

The Committee recommend the appointment of the Trust's Independent Auditors to the Board of Trustees for onward recommendation and to the members at AGM.

Trustee attendance – Resources Committee:

Trustee	Meetings attended	Out of possible
Mr N Armsby (Principal and accounting Officer)	5	5
Mr A Benton	6	6
Mr D Brown	6	6
Mr P Grundy (Principal and accounting Officer) (resigned 31 January 2022)	2	2
Mr Erik Mesel	5	6
Mr R Palmer	5	6
Mrs T Penfold (Chair)	6	6

Audit and Risk Committee

As mentioned above, this committee has now been separated from the Resources Committee. The role of the audit and risk committee is to:

1. Oversee and approve the trust's programme of internal scrutiny
2. Ensure that risks are being addressed appropriately through internal scrutiny
3. Maintain the independence in internal scrutiny processes
4. Report to the board on the adequacy of the Trust's internal control framework (this includes financial and non-financial controls and management of risks)
5. Recommend to the Board the adoption of the annual report of the independent auditors
6. Advise, liaise, and recommend to the members of the trust the appointment of the independent auditors.

Trustee attendance - Full Board (continued)

Trustee attendance – Audit and Risk Committee

Trustee	Meetings attended	Out of possible
Mr N Armsby (Principal and accounting Officer)	3	3
Mr A Benton	2	4
Mr D Brown (Chair)	4	4
Mr P Grundy (Principal and accounting Officer) (Resigned 31 December 2022)	1	1
Mrs T Penfold	4	4

Academy Effectiveness Committee

The AEC is a sub-committee of the main Board of Trustees. Its purpose is to address non-financial matters, the attendance, behaviour, discipline, health, inclusion, safeguarding and welfare of all students.

They also address students' progress and achievements.

Trustee attendance - Academy Effectiveness Committee

Trustee	Meetings attended	Out of possible
Mr N Armsby (Principal and accounting Officer)	3	3
Mrs C Crossley	4	4
Mrs M Eze	2	4
Mr P Grundy (Principal and accounting Officer) (Resigned 31 December 2022)	0	1
Mrs G Hogan (Chair)	3	4
Mrs T Penfold (Chair)	4	4
Mrs C Proffitt (Nee Edward) (Resigned 10 March 2023)	1	2
Mr A Sikora (Resigned 31 August 2023)	4	4

Mrs Tracy Penfold was re-elected as chair on 29th September 2022. The principle challenge facing the Committee has been the preparation of a forward balanced budget given the significant real terms reduction of future income from ESFA.

Review of value for money

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

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

Review of value for money (continued)

Over the last financial period, the Trust has taken a wide range of steps to ensure that the education standards and levels of attainment for all students have continued to improve. The Trust has focused on targeted improvement linked to the School's Development Plan to ensure maximum impact on outcomes for students in these key areas; and on improving the quality of teaching across the School.

Professional development for staff has been tailored to priorities. A programme for the early identification of Key Stage 4 students who would benefit from additional support was continued coupled with a management focus on the drive to reduce the attainment gaps of students, i.e. "narrowing the gap" for vulnerable students.

The Trust keeps a constant review of its staffing structure. The Trust's pay policy for teachers, links performance and lesson observations and enables individual teachers and management to focus on specific areas for development.

Financial procedures are constantly under review and are regularly adapted so that there is greater accountability, adequate segregation of duties and adherence to the regulations laid down in Company Law, Charity Law and best practice reported by the Education and Skills Funding Agency (ESFA).

The executive leadership receives regular budget reports which are analysed to identify areas of overspend and underspend. Regular monitoring ensures the best use of resources and prevents waste and bank balances are very carefully monitored.

The Trust joined the Risk Protection Arrangement as of 1 September 2017 to manage risks, an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000.

During the past year, the Trust has secured Capital Grant funding to focus on improving the fabric of its buildings.

All contracts and services for the Trust were appraised and approved in accordance with the Trust's scheme of delegation to ensure value for money.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Highams Park Academy Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

- ◆ comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- ◆ regular reviews by the Resource 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 appointed Juniper Educations Services Ltd as internal auditor.

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

- ◆ Review of governance and financial management.
- ◆ Review of banking.
- ◆ Review of payroll & expenses.
- ◆ Review of income.
- ◆ Review of assets.

On a quarterly basis, the auditor 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.

The Internal Auditor has delivered their schedule of work as planned. There were no material control issues that arose as a result of the Internal Auditor's work.

Review of effectiveness

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

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

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

Approved by the Board of Trustees on 7/12/23 and signed on their behalf, by:

Chair



Mrs T Penfold



Accounting officer

N Armsby

07 December 2023

Statement of regularity, propriety and compliance 31 August 2023

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

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

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



Accounting Officer N Armsby

07/12/23

Statement of Trustees' responsibilities 31 August 2023

The Trustees (who are also the directors of Highams Park Academy Trust Limited for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Trustees are required to:

- ◆ Select suitable accounting policies and then apply them consistently;
- ◆ Observe the methods and principles in the Charities SORP and the Academies Accounts Direction 2022 to 2023;
- ◆ Make judgements 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 accounts; and
- ◆ Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 7/12/23 and signed on its behalf by:

Chair

Mrs T Penfold



07 December 2023

Independent auditor's report to the members Highams Park Academy Trust

Opinion

We have audited the financial statements of Highams Park Academy Trust (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the charitable company balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP 2019) and the Academies Accounts Direction 2022 to 2023.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2023, and of its income and expenditure for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the charitable company 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 charitable company'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 annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company 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 charitable company'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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2022 to 2023, the Academy Trust Handbook 2022, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and the subsidiary company directors' meetings and papers provided to the trustees and directors;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of trustees' meetings and subsidiary company directors' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

Auditor's responsibilities for the audit of the financial statements (continued)

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

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

Use of our report

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



Hugh Swainson (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

18 December 2023

Independent reporting accountant's assurance report on regularity to Highams Park Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 26 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Highams Park Academy Trust during the period from 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Highams Park Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Highams Park Academy Trust's funding agreement with the Secretary of State for Education and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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 period from 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Date: 18 December 2023

Statement of financial activities Year to 31 August 2023

(including income and expenditure account)

	Notes	Unrestricted general fund £	Restricted funds		2023 Total funds £	2022 Total funds £
		£	General £	Fixed assets £	£	£
Income from:						
Donations and capital grants	1	2,874	—	77,482	80,356	107,371
Charitable activities						
. Funding for the School's educational operations	2	408,480	10,645,561	—	11,054,041	10,454,776
Other trading activities	3	167,228	—	—	167,228	194,829
Investments	4	18,656	—	—	18,656	970
Total income		597,238	10,645,561	77,482	11,320,281	10,757,946
Expenditure on:						
Charitable activities						
. School's educational operations	5	239,134	10,949,840	609,263	11,798,237	11,153,623
Total expenditure	5	239,134	10,949,840	609,263	11,798,237	11,153,623
Net expenditure before transfers		358,104	(304,279)	(531,781)	(477,956)	(395,677)
Transfers between funds	15	—	(105,398)	105,398	—	—
Net income (expenditure) for the year		358,104	(409,677)	(426,383)	(477,956)	(395,677)
Other recognised gains and losses						
Actuarial gain on defined benefit pension scheme	17	—	1,035,000	—	1,035,000	2,461,000
Net movement in funds		358,104	625,323	(426,383)	557,044	2,065,323
Reconciliation of funds						
Fund balances brought forward at 1 September 2022		1,130,661	(1,788,474)	16,182,662	15,524,849	13,459,526
Fund balances carried forward at 31 August 2023		1,488,765	(1,163,151)	15,756,279	16,081,893	15,524,849

All of the Trust's activities derived from continuing operations.

Balance sheet 31 August 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	11		15,664,414		16,091,389
Current assets					
Debtors	12	339,286		353,859	
Cash at bank and in hand		2,123,734		2,093,268	
		2,463,020		2,447,127	
Creditors: amounts falling due within one year	13	(665,075)		(733,988)	
Net current assets			1,797,945		1,713,139
Total net assets less current liabilities			17,462,359		17,804,528
Creditors: amounts falling due after more than one year	14		(6,466)		(13,679)
Net assets before defined benefit pension scheme liability			17,455,893		17,790,849
Defined benefit pension scheme liability	19		(1,374,000)		(2,266,000)
Total net assets			16,081,893		15,524,849
Funds of the Trust:	15				
Restricted funds					
- Fixed asset funds			15,756,279		16,182,662
- Restricted income funds			210,849		477,526
- Pension reserve			(1,374,000)		(2,266,000)
Total restricted funds			14,593,128		14,394,188
Unrestricted income funds			1,488,765		1,130,661
Total funds			16,081,893		15,524,849

The financial statements on page 27 to 49 were approved by the trustees, and authorised for issue on 7/12/23 and are signed on their behalf by:

Signed



Chair

Mrs T Penfold

Highams Park Academy Trust

Company Limited by Guarantee

Registration Number: 07738801 (England and Wales)

07 December 2023

Statement of cash flows Year to 31 August 2023

		2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	A	122,287	565,364
Cash flows from investing activities	B		
Dividends, interest and rents from investments		18,656	970
Capital grants from DfE Group		77,482	106,539
Purchase of tangible fixed assets		(182,288)	(251,070)
Net cash used in investing activities		(86,150)	(143,561)
Cash flows from financing activities			
Reversal of prior year loan		—	(23,000)
Repayment of other loan		(5,671)	(8,879)
Net cash provided by financing activities		(5,671)	(31,879)
Net increase in cash and cash equivalents in the year		30,466	389,924
Cash and cash equivalents at 1 September		2,093,268	1,703,344
Cash and cash equivalents at 31 August	C	2,123,734	2,093,268

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

	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)	(477,956)	(395,677)
Adjusted for:		
Depreciation charges	609,263	618,497
Capital grants from DfE and other capital income	(77,482)	(106,539)
Interest receivable	(18,656)	(970)
Defined benefit pension scheme cost less contributions payable	36,000	312,000
Defined benefit pension scheme finance cost	107,000	79,000
Decrease in debtors	14,573	91,142
Decrease in creditors	(70,455)	(32,089)
Net cash provided by / (used in) Operating Activities	122,287	565,364

B Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	2,123,734	2,093,268
	2,123,734	2,093,268

Statement of cash flows Year to 31 August 2023

C Analysis of changes in net funds

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash	2,093,268	30,466	2,123,734
Loans falling due within one year	(4,924)	(1,542)	(6,466)
Loans falling due after more than one year	(13,679)	7,213	(6,466)
Total	2,074,665	36,137	2,110,802

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

Highams Park Academy Trust 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 charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the Financial Statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

Income

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

Grants

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

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

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

Sponsorship income

Sponsorship income provided to the Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the Trust 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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

Tangible fixed assets and depreciation

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

♦ Land and buildings	Straight line over 50 years
♦ Fixtures, fittings & equipment	Straight line over 4 years
♦ Motor vehicles	25% reducing balance

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.

Liabilities

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

Leased assets

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

Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial instruments (continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. 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 are recognised in the period to which they relate.

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

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

Accounting 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 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The Trustees consider that they have not made any critical judgements in the preparation of the financial statements.

1 Donations and capital grants

	Unrestricted funds £	Restricted fixed assets funds £	2023 Total funds £	2022 Total funds £
Capital grants	—	77,482	77,482	55,139
Donated fixed assets	—	—	—	51,400
Other donations	2,874	—	2,874	832
	2,874	77,482	80,356	107,371

2 Funding for the Trust's educational operations

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
DfE / ESFA revenue grant				
. General Annual Grant (GAG)	—	9,553,221	9,553,221	9,373,794
. Pupil Premium	—	345,998	345,998	336,352
. Others	—	167,557	167,557	—
. Schools Supplementary Grant	—	244,761	244,761	102,046
	—	10,311,537	10,311,537	9,812,192
Other government grants				
. Local authority grants	—	243,772	243,772	249,593
	—	243,772	243,772	249,593
Other income from the academy trust's educational operations	408,480	—	408,480	315,980
COVID-19 additional funding (DfE/ESFA)				
Catch up/ recovery premium	—	90,252	90,252	49,083
Other DfE/ESFA COVID-19 funding	—	—	—	27,928
	408,480	10,645,561	11,054,041	10,454,776

3 Other trading activities

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Hiring of facilities	12,843	—	12,843	9,795
Trip income	86,133	—	86,133	119,817
Other income	68,252	—	68,252	65,217
	167,228	—	167,228	194,829

4 Investment income

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Short term deposits	18,656	—	18,656	970

5 Expenditure

		Non pay expenditure			
	Staff costs £	Premises £	Other costs £	2023 Total funds £	2022 Total funds £
Funding for the school's educational operations (note 6)					
. Direct costs	6,661,570	609,263	585,778	7,856,611	7,461,420
. Allocated support costs	2,478,634	485,405	977,587	3,941,626	3,692,203
	<u>9,140,204</u>	<u>1,094,668</u>	<u>1,563,365</u>	<u>11,798,237</u>	<u>11,153,623</u>
Net (expenditure) for the year includes:				2023 £	2022 £
Fees payable to auditor for services					
. Statutory				12,550	10,500
. Non-statutory				7,700	7,000
Depreciation of tangible fixed assets				609,263	618,497
Net interest on defined benefit pension liability				91,000	70,000
Operating lease payments				6,448	—

6 Charitable activities - educational operations

	2023 Total funds £	2022 Total funds £
Direct costs	7,856,611	7,461,420
Support costs	3,941,626	3,692,203
	<u>11,798,237</u>	<u>11,153,623</u>
Analysis of support costs	2023 Total funds £	2022 Total funds £
Support staff costs	2,478,634	2,452,854
Technology costs	144,157	136,460
Premises costs	485,405	425,934
Legal costs	51,469	9,921
Other support costs	750,476	649,560
Governance costs	31,485	17,474
Total support costs	<u>3,941,626</u>	<u>3,692,203</u>

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2022 between restricted and unrestricted funds:

	Unrestricted general fund £	Restricted funds		2022 Total funds £
		General £	Fixed assets £	
<i>Income from:</i>				
Donations and capital grants	832	—	106,539	107,371
Charitable activities				
. Funding for the Trust's educational operations	315,980	10,138,796	—	10,454,776
Other trading activities	194,829	—	—	194,829
Investments	970	—	—	970
Total income	512,611	10,138,796	106,539	10,757,946
<i>Expenditure on:</i>				
Charitable activities				
. School's educational operations	289,265	10,245,862	618,496	11,153,623
Total expenditure	289,265	10,245,862	618,496	11,153,623
Net income (expenditure) before transfers	223,346	(107,066)	(511,957)	(395,677)
Transfers between funds	—	(350,241)	350,241	—
Net income (expenditure) for the year	223,346	(457,307)	(161,716)	(395,677)
Other recognised gains and losses				
Actuarial gain on defined benefit pension scheme	—	2,461,000	—	2,461,000
Net movement in funds	223,346	2,003,693	(161,716)	2,065,323
<i>Reconciliation of funds</i>				
Fund balances brought forward at 1 September 2021	907,315	(3,792,167)	16,344,378	13,459,526
Fund balances carried forward at 31 August 2022	1,130,661	(1,788,474)	16,182,662	15,524,849

8 Staff costs

(a) Staff costs

Staff costs during the year were:

	2023 Total funds £	2022 Total funds £
Wages and salaries	6,812,613	6,408,417
Social security costs	737,432	690,912
Pension costs	1,494,925	1,635,267
	9,044,970	8,734,596
Agency staff costs	95,234	57,979
Total staff expenditure	9,140,204	8,792,575

8 Staff costs (continued)

(b) Staff numbers

The average numbers of persons (including Senior Management Team) employed by the Trust during the period was as follows:

	2023	2022
Teachers	105	100
Administration and support	92	100
Management	17	11
	214	211

The number of persons employed, expressed as a full time equivalent, was as follows:

	2023 FTE	2022 FTE
Teachers	90	92
Administration and support	64	65
Management	13	12
	167	169

(c) Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2023 No.	2022 No.
£60,001 - £70,000	13	6
£70,001 - £80,000	1	2
£80,001 - £90,000	2	2
£90,001 - £100,000	1	—
£100,001 - £110,000	1	—
£110,001 - £120,000	—	1

(d) Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,300,975 (2022: £1,162,005).

9 Related party transactions - Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment, and not in respect of their services as Trustees.

9 Related party transactions - Trustees' remuneration and expenses (continued)

The value of Trustees' remuneration and other benefits was as follows:

	31 August 2023 £	31 August 2022 £
P Grundy – Principal (resigned 31 December 2022)		
. Remuneration	40,000-45,000	115,000 - 120,000
. Employer's pension contribution	5,000-10,000	25,000- 30,000
N Armsby – Principal (appointed 1 January 2023)		
. Remuneration	70,000 -75,000	—
. Employer's pension contribution	15,000-20,000	—
R Palmer – Staff		
. Remuneration	60,000-65,000	55,000 - 60,000
. Employer's pension contribution	10,000-15,000	5,000 - 10,000
A Sikora – Staff (resigned 31 August 2023)		
. Remuneration	45,000-50,000	45,000 - 50,000
. Employer's pension contribution	10,000-15,000	10,000 - 15,000
T Morris – Staff		
. Remuneration	80,000-85,000	75,000 - 80,000
. Employer's pension contribution	15,000-20,000	15,000 - 20,000

During the year, travel and subsistence payments of £nil (2022: £nil) were reimbursed or paid directly to no trustees (2022: no trustee).

Other related party transactions involving the Trustees are set out within the related parties note.

10 Trustees' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business.

11 Tangible fixed assets

	Land and buildings £	Fixtures and fittings and equipment £	Motor vehicles £	Total funds £
Cost				
At 1 September 2022	19,577,187	1,203,158	7,500	20,787,845
Additions	48,746	133,542	—	182,288
At 31 August 2023	19,625,933	1,336,700	7,500	20,970,133
Depreciation				
At 1 September 2022	3,828,976	859,980	7,500	4,696,456
Charge for the year	396,772	212,491	—	609,263
At 31 August 2023	4,225,748	1,072,471	7,500	5,305,719
Net book value				
At 31 August 2023	15,400,185	264,229	—	15,664,414
At 31 August 2022	15,748,211	343,178	—	16,091,389

12 Debtors

	2023 £	2022 £
Trade debtors	4,581	28,367
VAT recoverable	14,240	49,914
Other debtors	39,483	9,515
Prepayments and accrued income	280,982	266,063
	339,286	353,859

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	14,331	211,776
Taxation and social security	174,013	170,368
Loans	6,466	4,924
Other creditors	215,963	222,598
Accruals and deferred income	254,302	124,322
	665,075	733,988

14 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Other loans	6,466	13,679
	6,466	13,679

Analysis of loans

	2023 £	2022 £
Wholly repayable within five years	12,932	18,603
Less: included in current liabilities	(6,466)	(4,924)
Amounts included above	6,466	13,679

Loan maturity

Debt due in one year or less	6,466	4,924
Due in more than one year but not more than two years	6,466	6,465
Due in more than two years but not more than five years	—	7,214
	12,932	18,603

Loans are comprised of four public benefit entity concessionary loans. These loans are charged interest at a rate significantly below market rate.

Two of the loans do not bear interest and are repaid in biannual instalments in equal tranches over an eight year period. One loan bears interest at 2.01% per annum and is repaid over ten equal instalments over a five year period, the other loan bears interest at 2.31% per annum and is also repaid over ten equal instalments over a five year period.

15 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Revenue restricted funds					
. General Annual Grant (GAG)	477,526	9,553,221	(9,714,500)	(105,398)	210,849
. Pupil Premium	—	345,998	(345,998)	—	—
. Catch up/recovery premium	—	90,252	(90,252)	—	—
. Schools supplementary grant	—	244,761	(244,761)	—	—
. Other restricted funds	—	411,329	(411,329)	—	—
. Pension reserve	(2,266,000)	—	(143,000)	1,035,000	(1,374,000)
	<u>(1,788,474)</u>	<u>10,645,561</u>	<u>(10,949,840)</u>	<u>929,602</u>	<u>(1,163,151)</u>
Restricted fixed asset funds					
. Inherited on conversion	12,278,857	—	(314,842)	—	11,964,015
. Fixed asset fund	3,903,805	77,482	(294,421)	105,398	3,792,264
	<u>16,182,662</u>	<u>77,482</u>	<u>(609,263)</u>	<u>105,398</u>	<u>15,756,279</u>
Total restricted funds	<u>14,394,188</u>	<u>10,723,043</u>	<u>(11,559,103)</u>	<u>1,035,000</u>	<u>14,593,128</u>
Unrestricted funds					
. General funds	1,130,661	597,238	(239,134)	—	1,488,765
Total unrestricted funds	<u>1,130,661</u>	<u>597,238</u>	<u>(239,134)</u>	<u>—</u>	<u>1,488,765</u>
Total funds	<u>15,524,849</u>	<u>11,320,281</u>	<u>(11,789,237)</u>	<u>1,035,000</u>	<u>16,081,893</u>

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

Unrestricted funds

This represents income received that does not have restrictions.

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Pupil Premium

The pupil premium funding is to be used to raise achievement and improve outcomes for pupils from low-income families who are eligible for free school meals, looked after children and those from families with parents in the Armed Forces.

Special Educational Needs (SEN)

This represents allocated funding for special educational needs pupils.

Educational visits

This represents contributions made by parents to the running of educational visits for the pupils of the School and the associated costs of running the visits.

Other restricted reserves

This represents additional funding received from other sources that is restricted in nature.

15 Funds (continued)**Pension reserve**

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS), originally transferred to the Academy on conversion from a state controlled school, and revalued annually since.

Restricted fixed asset funds

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

Devolved Formula Capital (DFC) fund

The Academy is to use the DFC allocation to maintain and improve its buildings and facilities.

Academy Capital Maintenance Fund (ACMF)

This represents funding received from the ESFA and DfE for specific capital projects.

Transfer between funds

A transfer from restricted general funds to restricted fixed asset funds was necessary to fund fixed assets purchased during the year.

Comparative information

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<i>Revenue restricted funds</i>					
. General Annual Grant (GAG)	543,833	9,373,794	(9,089,860)	(350,241)	477,526
. Pupil Premium	—	336,352	(336,352)	—	—
. Catch up/ recovery premium	—	49,083	(49,083)	—	—
. Schools supplementary grant	—	102,046	(102,046)	—	—
. Other DfE / ESFA COVID-19	—	27,928	(27,928)	—	—
. Other restricted funds	—	249,593	(249,593)	—	—
. Pension reserve	(4,336,000)	—	(391,000)	2,461,000	(2,266,000)
	<u>(3,792,167)</u>	<u>10,138,796</u>	<u>(10,245,862)</u>	<u>2,110,759</u>	<u>(1,788,474)</u>
<i>Restricted fixed asset funds</i>					
. Inherited on conversion	12,593,699	—	(314,842)	—	12,278,857
. Fixed asset fund	3,750,679	106,539	(303,654)	350,241	3,903,805
	<u>16,344,378</u>	<u>106,539</u>	<u>(618,496)</u>	<u>350,241</u>	<u>16,182,662</u>
<i>Total restricted funds</i>	<u>12,552,211</u>	<u>10,245,335</u>	<u>(10,864,358)</u>	<u>2,461,000</u>	<u>14,394,188</u>
<i>Unrestricted funds</i>					
. General funds	907,315	512,611	(289,265)	—	1,130,661
<i>Total unrestricted funds</i>	<u>907,315</u>	<u>512,611</u>	<u>(289,265)</u>	<u>—</u>	<u>1,130,661</u>
<i>Total funds</i>	<u>13,459,526</u>	<u>10,757,946</u>	<u>(11,153,623)</u>	<u>2,461,000</u>	<u>15,524,849</u>

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total 2023 £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	—	—	15,664,414	15,664,414
Current assets	1,488,765	869,458	104,797	2,463,020
Creditors falling due within one year	—	(658,609)	(6,466)	(665,075)
Creditors falling due after one year	—	—	(6,466)	(6,466)
Defined benefit pension liability	—	(1,374,000)	—	(1,374,000)
Total net assets	1,488,765	(1,163,151)	15,756,279	16,081,893

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total 2022 £
<i>Fund balances at 31 August 2022 are represented by:</i>				
<i>Tangible fixed assets</i>	—	—	16,091,389	<i>16,091,389</i>
<i>Current assets</i>	1,130,661	1,205,796	110,670	<i>2,447,127</i>
<i>Creditors falling due within one year</i>	—	(727,522)	(6,466)	<i>(733,988)</i>
<i>Creditors falling due after one year</i>	—	(748)	(12,931)	<i>(13,679)</i>
<i>Defined benefit pension liability</i>	—	(2,266,000)	—	<i>(2,266,000)</i>
<i>Total net assets</i>	<i>1,130,661</i>	<i>(1,788,474)</i>	<i>16,182,662</i>	<i>15,524,849</i>

17 Capital commitments

	2023 £	2022 £
Contracted for, but not provided in the financial statements	14,821	—

18 Commitments under operating leases

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

	2023 £	2022 £
Amounts due within one year	6,448	—

19 Pension and similar obligations

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

19 Pension and similar obligations (continued)

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TP scheme was carried out as at 31 March 2016 and the LGPS, the 31 March 2022.

A balance of £160,378 in respect of pensions payable to the TPS has been included within other creditors at the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- ◆ employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy);

19 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

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

Scheme changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2024.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. The employer's pension costs paid to the TPS in the period amounted to £1,553,221 (2022: £1,034,971).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below.

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 the GOV.UK website.

19 Pension and similar obligations (continued)***Local Government Pension Scheme (continued)***

	2023	2022
	£	£
Total contributions made		
Employer's contributions	344,000	280,000
Employees' contributions	99,000	82,000
	443,000	362,000

	At 31 August 2023	At 31 August 2022
Principal Actuarial Assumptions		
Rate of increase in salaries	4.3%	4.4%
Rate of increase for pensions in payment / inflation	2.9%	3.0%
Discount rate for scheme liabilities	5.4%	4.3%
Inflation assumption (CPI)	2.8%	2.9%

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

	At 31 August 2023	At 31 August 2022
<i>Retiring today</i>		
Males	21.4	27.0
Females	23.7	24.1
<i>Retiring in 20 years</i>		
Males	22.5	25.1
Females	25.4	22.6

Scheme liabilities would have been affected by changes in assumptions as follows:

	At 31 August 2023	At 31 August 2022
	£	£
Discount rate +0.1%	(77,000)	(107,000)
Mortality assumption – 1 year increase	97,000	120,000
CPI rate +0.1%	79,000	110,000

19 Pension and similar obligations (continued)***Local Government Pension Scheme (continued)***

The Trust's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2023 £	Fair value at 31 August 2022 £
Equities	2,302,000	2,197,000
Corporate bonds	537,000	600,000
Cash and other liquid assets	373,000	111,000
Property	156,000	400,000
Other assets	185,000	264,000
Total market value of assets	3,553,000	3,572,000
Present value of scheme liabilities		
- Funded	(4,927,000)	(5,838,000)
Deficit in the scheme	(1,374,000)	(2,266,000)

The actual return on scheme assets was £8,000 (2022: £302,000).

Amounts recognised in statement of financial activities	2023 £	2022 £
Current service cost	380,000	592,000
Interest income	(156,000)	(64,000)
Interest cost	247,000	134,000
Admin expenses	16,000	9,000
	487,000	671,000
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	156,000	508,000
Interest on pension liabilities	(247,000)	(524,000)
Pension finance income/(costs)	(91,000)	(16,000)

Changes in the present value of defined benefit obligations were as follows:	2023 £	2022 £
At 1 September 2022	5,838,000	7,927,000
Current service cost	380,000	592,000
Interest cost	247,000	134,000
Employee contributions	99,000	82,000
Actuarial (gain) loss	(1,319,000)	(2,827,000)
Benefits paid	(318,000)	(70,000)
At 31 August 2023	4,927,000	5,838,000

19 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Changes in the fair value of the Trust's share of scheme assets:	2023 £	2022 £
At 1 September 2022	3,572,000	3,591,000
Interest income	156,000	64,000
Actuarial (loss) gain	(284,000)	(366,000)
Employer contributions	344,000	280,000
Employee contributions	99,000	82,000
Benefits paid	(318,000)	(70,000)
Admin expenses	(16,000)	(9,000)
At 31 August 2023	3,553,000	3,572,000

20 Related party transactions

No related party transactions took place in the period of account other than certain Trustees' remuneration disclosed in note 9.

21 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.