

Companies House

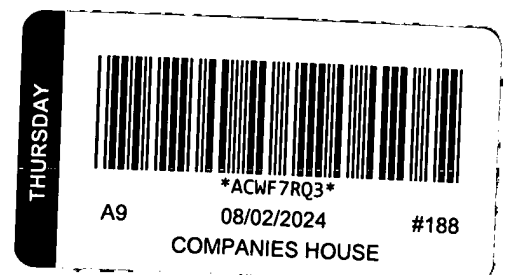
**The Hoddesdon School Trust**

**Annual Report and Financial  
Statements**

31 August 2023

Company Limited by Guarantee  
Registration Number  
07555066 (England and Wales)

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## Reference and administrative information

<b>Members</b>	Mr N R Chaaban Mrs F L Ives (resigned 22/9/23) Mrs A M Pask Mr P Tidmarsh
<b>Trustees serving in year</b>	Mr D A Allman (Accounting Officer) (resigned as Trustee 15/9/23) Mr M Bown (resigned 26/5/23) Ms J E M Carson (Co-opted) (resigned 9/2/23) Mr G A Dykes (resigned 22/9/23) Mrs F L Ives (resigned 22/9/23) Mr D J Kennedy (Chair) (resigned 22/9/23) Mr R J McCarthy BEM (resigned 22/9/23) Mrs R E Semark (Co-opted) (resigned 9/2/23) Mr A Shah-Cundy (resigned 15/6/23) Mrs M C Sykes (resigned 17/10/22) Mrs S Ventham (appointed 13/10/22, resigned 22/9/23)
<b>Current Trustees</b>	Professor Bernard Barker (appointed 6/10/23) Mr Tim Coulson (appointed 22/9/23) Mrs Alison Park (appointed 22/9/23) Mrs L Soden (appointed 22/9/23) Mr P Tidmarsh (appointed 22/9/23, resigned 16/10/23)
<b>Company Secretary</b>	Mrs F Connolly (resigned 31/10/23)
<b>Trust Senior Management Team</b>	
Chief Executive Officer	Mr D A Allman BSc, MA, NPQH, FCCT, FRSA (resigned 31/10/23)
Headteacher – Roselands Primary School	Ms J E M Carson Cert. Ed
Chief Financial Officer	Mrs G A Knights AAT DSBM
Headteacher – The Cranbourne Primary School	Mrs R E Semark BEd, NPQH, FCCT
Headteacher – The John Warner School	Mr J M Scott BA, MA, NPQH, MCCT (resigned 31/10/22)
<b>Registered address</b>	The Hoddesdon School Trust Stanstead Road Hoddesdon Hertfordshire EN11 0QF
<b>Company registration number</b>	07555066

## Reference and administrative information

**Auditor** Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

**Bankers** Lloyds TSB Bank Plc  
Hitchin Branch  
PO Box 1000  
BX1 1LT

**Solicitors** Stone King LLP  
16 St John's Lane  
London  
EC1M 4BS

## **Trustees' report (including the strategic report) Year to 31 August 2023**

The Trustees of The Hoddesdon School Trust ('the Academy Trust') present their annual report together with the financial statements of the Academy Trust for the year to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 10 to 12 of the attached financial statements and comply with the Academy Trust's Memorandum and Articles of Association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

In December 2022, following an inspection in October 2022, Ofsted published a report confirming that The John Warner School was judged to be inadequate and required special measures. In January 2023, the Department for Education issued a Termination Warning Notice in respect of the funding agreement between the Department and the Academy Trust for The John Warner School. At the direction of the Department, the School was to be transferred to another Trust. The Trustees agreed that it would be appropriate for the two primary schools to also transfer to the same Trust. The Department approved the transfer of all three schools to Danes Educational Trust in July 2023.

The transfer will take place on 31 December 2023.

In the interim period, The Hoddesdon School Trust and Danes Educational Trust has entered into a service-level agreement to provide associate membership of Danes Educational Trust to the three schools.

When the schools transfer to Danes Educational Trust, the Trust will transfer its activities, including all assets, liabilities and undertakings. Any transfer of assets, liabilities and undertakings would be as a going concern. Following the transfer the Trust will become dormant and be subsequently dissolved during 2024 once all administrative processes have concluded.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Hoddesdon School Trust is an exempt charity and a company limited by guarantee, not having share capital. The Memorandum and Articles of Association are the primary governing document of the Academy Trust. The Trustees of The Hoddesdon School Trust are also the directors of the Academy Trust for the purposes of company law.

#### **Members' liability**

The members of the Academy Trust are Mr N R Chaaban, Mrs A M Pask and Mr P Tidmarsh.

Every member of the Academy Trust undertakes to contribute an amount not exceeding £10 to the assets of the Academy Trust in the event of the Academy Trust being wound up during the year of membership, or within one year thereafter.

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Trustees' indemnities**

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. From March 2015, the Academy Trust was part of the Academies Risk Protection Arrangement (RPA). The cost of this insurance is included within the total insurance cost.

**Principal activities**

The principal activity of the Academy Trust is to run three schools: The John Warner School, The Cranbourne Primary School and Roselands Primary School. All three are co-educational and are in Hoddesdon, Hertfordshire.

In accordance with its charitable objectives, the Academy Trust seeks to advance the education of the children attending the Academies within it. The Academy Trust's primary beneficiaries are therefore the students and their parents. The principal means whereby this activity is carried out is by maintaining a high standard of education for all within the Academy Trust.

In addition, the Academy Trust operates the John Warner School Sports Centre for the benefit of the Academy Trust's pupils and also other primary school pupils in the locality and the wider community.

The Sports Centre is a joint venture with the Borough of Broxbourne governed by a dual-use agreement. This agreement allows the Sports Centre to operate for the benefit of the local community and for the Academy Trust. The Academy Trust provides the Sports Centre with an appropriate amount of funding to support its maintenance and running. In return the Borough of Broxbourne operates the Sports Centre and maintains it for the benefit of both the pupils of the Academy Trust and the local community. It is not possible to quantify the financial benefit of this arrangement but it is undoubtedly the case that both the Academy Trust's population and the local community benefit from the dual-use facility.

The lease agreement for The John Warner Sports Centre expired in July 2023 and, following a procurement process which did not result in a preferred bidder. Negotiations, took place between Broxbourne Borough Council and the Trust, approved by the EFSA, which resulted in a Tenancy at Will being put in place until August 2024, whilst a long term lease is put in place between Danes Educational Trust and the Borough of Broxbourne Council for 20 years, with ESFA approval.

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Trustees**

The Trustees are directors of the Academy Trust for the purposes of the Companies Act 2006. The following Trustees were in office and served throughout the financial year, except where shown.

**Trustee**

Mr D A Allman (resigned 15 September 2023)  
Ms J E M Carson (Co-opted) (resigned 9 February 2023)  
Mr G A Dykes (resigned 22 September 2023)  
Mrs F L Ives (resigned 22 September 2023)  
Mr D J Kennedy (Chair) (resigned 22 September 2023)  
Mr R J McCarthy BEM (resigned 22 September 2023)  
Mrs R E Semark (Co-opted) (resigned 9 February 2023)  
Mr A Shah-Cundy (resigned 15 June 2023)  
Mr M Bown (resigned 26 May 2023)  
Mrs S Ventham (appointed 13 October 2022, resigned 22 September 2023)  
Mrs M C Sykes (resigned 17 October 2022)

On 22 September 2023, all the Trustees in office at that date resigned and the Members appointed a new Trust Board. The Trustees appointed to replace the Trust Board who served from their appointment to the date this report was approved were:

Professor Bernard Barker (appointed 6 October 2023)  
Mr Tim Coulson (appointed 22 September 2023)  
Mrs Alison Park (appointed 22 September 2023)  
Mrs L Soden (appointed 22 September 2023)  
Mr P Tidmarsh (appointed 22 September 2023, resigned 16 October 2023)

**Method of recruitment and appointment or election of Trustees**

The Trustees regularly review the mix of skills that should be available to the Board. New Trustees are then sought with these skills, either as additional Trustees or replacements when existing Trustees stand down and it is anticipated that the great majority of new Trustees will be drawn from the local community, being either parents or guardians of pupils at the Academy Trust or others that have shown an interest in the future well-being of the Academy Trust and its pupils. Recruitment is therefore through a combination of approaches to individuals with known skills and by wider communications to those within the Hoddesdon area of Hertfordshire.

In accordance with the Academy Trust's Articles of Association and Terms of Reference, new Trustees are appointed to the Board by the existing Trustees until the date of the next Annual General Meeting, at which time they are eligible for re-election for a period of four years. At the end of a four-year term, retiring Trustees are eligible for re-election for a further term. Individual Trustees attend training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date. A series of briefings for the Board and the senior management team of the Academy Trust as a whole is in place based on areas of potential interest and/or concern.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

The new Trust Board which was effective from 22 September 2023 was recruited from the Member's networks to allow the Trust to function. Each Trustee has a complementary skillset and relevant professional experience.

### **Policies and procedures adopted for the induction and training of Trustees**

New Trustees are provided with an Induction Pack comprising all relevant documentation relating to the recent work of the Trustees, together with the Trust's Articles of Association, the current Trustee Handbook and all policies in operation at the Academy Trust. A regular skills audit is undertaken which, with the current competency matrix, identifies future training needs which are addressed through internal training or that are provided by nationally accredited trainers.

### **Organisational structure**

During the academic year 2022/23, the Trustees had responsibility for setting and monitoring the overall strategic direction of the Academy Trust, approving decisions reserved to Trustees and appointing key members of staff.

The retained responsibilities of the Trust Board are set out in its Terms of Reference and its Scheme of Delegation.

The Board of Trustees met six times each year. All decisions reserved to the Trustees were taken by the Board as a whole, in accordance with its Terms of Reference and its Scheme of Delegation. Board sub-committees meet during the year to consider detailed matters and recommend decisions to the full Board.

During the financial period for which this report is prepared, the Trust Board, in addition to its Local Governing Bodies, operated an Audit and Risk Assurance Committee, a Finance Committee, a Personnel and Pay Committee an Estate Committee and an Education Committee, each operating under clearly articulated Terms of Reference. In particular, the Audit and Risk Assurance Committee considered issues relating to the systems and processes of control and risk management that operated throughout The Hoddesdon School Trust, and to make recommendations to the Board.

The Trust Board retained the decision not to convene additional regular committee meetings in order to maximise Trustee first hand engagement with work of the Trust, however a Sports Centre Committee and ad hoc groups of Trustees are established, as and when required, to consider specific issues and make recommendations to the Board.

The day-to-day management of the Academy Trust rests with the Chief Executive Officer and the Chief Financial Officer and the Headteachers of the constituent Academies. This Senior Management Team has the overall responsibility for operations, across the Trust.

### **Arrangements for setting pay and remuneration of key management personnel**

Key management personnel comprise the Trustees and the Senior Management Team listed on page 1. Pay and remuneration for key management staff are determined in accordance with the Academy Trust's Pay Policy pursuant to the Trust's Terms of Reference and its Schedule of Delegation. The Trustees monitor the outcomes of pay decisions, ensuring the schools' continued compliance with equalities legislation.



## **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Changes since 22 September 2023**

The new Trust Board, effective from 22 September 2023, disbanded all committees and agreed for all decisions until the transfer of the Academy Trust to Danes Educational Trust was completed, to be carried out at the full board meetings. The transfer will take place on 1 January 2024. This will leave The Hoddesdon School Trust as an empty multi academy trust which will dissolve once administration processes are complete.

### **Trade union facility time**

The Academy Trust had no relevant trade union officials in the year.

### **Connected organisations, including related party relationships**

As noted above, the Academy Trust has a relationship with the Borough of Broxbourne which involves a dual-use agreement whereby the Borough operates the Academy Trust's Sports Centre. This agreement had a 21 year timespan and was signed on 13 February 2002 and expired in July 2023. A procurement process was run early in January 2023 to identify a new provider for the sports centre from 21 July 2023. This procurement process was unsuccessful and the Borough of Broxbourne became the preferred supplier and negotiations were undertaken. An interim arrangement for 2023/24 was put in place, and the long term lease will be developed in January 2024. This work was completed with oversight from the ESFA.

### **Engagement with employees (including disabled persons)**

The Hoddesdon School Trust is committed to providing employees with information on matters of concern to them, consulting with employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests, and encouraging the involvement of employees in the Trust's performance working toward achieving a common awareness on the part of all employees of the factors affecting the performance of the Trust.

To do this, the Trust's Senior Leadership Team, composed of the Chief Executive Officer, the Chief Financial Officer and the Headteachers of the three constituent academies, met on a weekly basis to discuss strategic and operational matters that affect the Trust as a whole, and to give due consideration and to develop a shared approach across the Trust to issues emerging in any one of those academies. Trust leaders routinely collaborated with and provided mutual support for one another, and modelled this process so that it can be copied by the senior leadership teams in the schools themselves. The culture in all of the schools is one of consultation with staff so that sustainable improvement processes can become embedded. The Trust welcomes applications for employment from disabled persons, and works with occupational health professionals to support the treatment of employees who become disabled. Appropriate training, career development and promotion is available to all staff, including disabled persons, throughout their employment with us.

### **Engagement with suppliers, customers and others in a business relationship with the Trust**

The Hoddesdon School Trust is enjoined to spend public money well. Its priorities in engagement with suppliers and others with whom the Trust has a business relationship are to ensure that purchasing and procurement processes are economic, efficient, effective and equitable. Relationships with suppliers are documented appropriately and reviewed for best value as a matter of routine. The Trust complies fully with the Department for Education's guidance on buying procedures and procurement law for schools.

## OBJECTIVES AND ACTIVITIES

### Objects and aims

#### **Objects**

The charitable objects of the Academy Trust are set down in the governing document as follows:

- i) 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 ("the Academy"); and
- ii) To promote for the benefit of the inhabitants of Hoddesdon and the surrounding area the provision of facilities, for recreation or other leisure time occupation of individuals who have a need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare, and with the object of improving the condition of life of the said inhabitants.

#### **Aims**

The Trust's aims are, therefore:

- i) To ensure that the education provided by the Academy Trust within all of its Academies is of the highest possible quality; and
- ii) To ensure that the facilities for recreation leisure time activities that it promotes is as effective as it can be in improving the condition of life of the members of the community it serves.

#### **Objectives**

The Trust's objectives, to achieve its aims, are:

- 1. To ensure that governance, leadership and management, safeguarding and wellbeing across the Trust are of the highest quality;
- 2. To ensure that the organisational aspects of the Trust are such that it is maintained well, developed constructively, and managed in such a way as to ensure compliance with all relevant statutory requirements; and
- 3. To ensure that the curriculum of all its Academies provides to all their pupils is best placed to enable them to take advantage of the opportunities, responsibilities and experiences of later life and that they are equipped with the knowledge and cultural capital to do so.

## OBJECTIVES AND ACTIVITIES (continued)

### **Strategies**

The Trust's strategies to fulfil those objectives are:

1. To continue to sustainably improve its governance, leadership and management, its safeguarding of the children and young people in its care, and the wellbeing of its staff.
2. To manage the resources at its disposal with a view to securing the best possible value for money in pursuit of its aims.
3. To support the individual Academies in relation to their distinctive features and enrichment activities so as to enhance the cultural capital of the children and young people in their care.

### **Activities**

The Trust's activities in relation to those strategies are:

1. To continue to sustainably improve its governance, leadership and management, its safeguarding of the children and young people in its care, and the wellbeing of its staff.
2. To ensure that the Trust's maintenance and development activities and its compliance requirements are fulfilled effectively in relation to (1) finance, administration, IT, GDPR, health and safety and the estate; (2) people, their recruitment, retention, rights and responsibilities and (3) other resources, and integrated curriculum and financial planning.
3. To secure economic, efficient, effective and equitable curriculum design within and across phases so that the distinctive features of each Academy and its enrichment activities contribute to enhancing the cultural capital of the children and young people in their care. It is about focussing on approaches to pedagogy and wider educational practice through the continuing professional development of teachers so that educational outcomes of children are the best they can be, and is related directly to the vision, mission and shared values of the Trust as a whole, and the unique, distinctive ethos of the constituent Academies.

### **Public benefit**

The Trustees have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their statements on public benefit contained within this Trustees' Annual Report.

### **Benefits and beneficiaries**

In accordance with its charitable objectives, the Academy Trust strives to advance the education of the attending pupils. The Academy Trust's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout the Academy Trust.

### **Trustees' assessment of public benefit**

In order to determine whether or not the Academy Trust has fulfilled its charitable objectives for public benefit, the Trustees scrutinise external performance data published nationally by the Department for Education, internal data presented to them through the work of the Local Governing Bodies of the constituent Academies and the Head Teachers thereof, all of whom are accountable directly to the CEO and Executive Headteacher of the Academy Trust. Evidence of this may be seen in the minutes and associated papers for each of the Local Governing Body meetings, and in those of the Trust itself.

## **STRATEGIC REPORT**

### **Achievements and performance**

#### ***Introduction***

This is the seventh annual report of The Hoddesdon School Trust as a Multi-Academy Trust which commenced operationally on 1 September 2016 and represents the joining together of three schools who have a long and distinguished history of working together. These are The John Warner School, The Cranbourne Primary School and Roselands Primary School.

All three schools are co-educational, comprehensive schools that are located in north Hoddesdon, Hertfordshire.

The majority of children leaving The Cranbourne Primary School and Roselands Primary School subsequently join The John Warner School for their secondary education, though this is not an automatic right and the admissions processes for all three schools are published clearly on their respective websites.

The John Warner School is currently consulting to give priority places to the children from The Cranbourne Primary School and Roselands Primary School from September 2025.

Following the Ofsted outcome for The John Warner School, the Trust's strategic priority for the academic year 2022/23 was to prepare the Trust for transfer into Danes Educational Trust. The transfer will take place on 31 December 2023. The strategic focus of the current Trust Board for the period 1 September 2023 to 31 December 2023 is to ensure full compliancy with regulatory matters and to ensure the safe transfer of the three schools into Danes Educational Trust

**Trustees' report (including the strategic report) Year to 31 August 2023**

**STRATEGIC REPORT**

**Achievements and performance (continued)**

**Key Stage 4 2023**

This information refers to The John Warner School.

*Subject outcomes*

Subject Name	Entries	1+ %	4+ %	5+ %	7+ %	APS	Est. APS	Progress
Art & Design	32	100.00	68.75	50.00	18.75	4.66	4.96	-0.65
Biology	148	98.65	66.22	41.89	9.46	4.37	5.64	-1.36
Business Studies	85	98.82	71.76	48.24	12.94	4.59	5.79	-1.25
Chemistry	147	97.96	59.86	33.33	7.48	3.98	5.63	-1.74
Computer Science	16	93.75	50.00	37.50	12.50	3.88	5.71	-1.96
D & T	65	98.46	50.77	40.00	7.69	3.80	4.92	-1.27
Engineering Studies	72	91.67	26.39	20.83	2.78	2.89	4.94	-2.28
English Language	214	97.20	71.03	54.67	14.49	4.57	5.38	-0.95
English Literature	195	96.41	75.90	59.49	15.38	4.69	5.49	-0.92
Food Technology	48	100.00	62.50	41.67	12.50	4.35	4.73	-0.46
French Language	39	97.44	56.41	33.33	12.82	4.15	5.26	-1.32
Geography	90	92.22	44.44	37.78	15.56	3.76	5.04	-1.40
German	15	100.00	73.33	46.67	0.00	4.53	5.79	-1.26
History	125	96.80	59.20	41.60	15.20	4.22	5.04	-0.97
Italian	13	100.00	84.62	76.92	23.08	5.31	5.00	0.31
Maths (General)	215	96.74	71.63	45.58	12.09	4.32	4.93	-0.76
Multimedia	15	66.67	13.33	6.67	6.67	1.75	4.78	-3.03
Music Studies (General)	11	90.91	54.55	18.18	0.00	3.55	5.50	-1.96
Physics (General)	147	99.32	67.35	47.62	9.52	4.50	5.65	-1.23
Polish	1	0.00	0.00	0.00	0.00	0.00	4.38	-4.38
Religious Studies	13	100.00	84.62	76.92	23.08	5.38	5.11	-0.20
Science Double Award	61	88.52	9.84	0.00	0.00	2.37	3.44	-1.37
Small Business Management	44	77.27	25.00	11.36	0.00	2.34	4.40	-2.36
Spanish	5	80.00	80.00	80.00	80.00	6.40	5.52	0.88
Speech & Drama	34	100.00	85.29	64.71	26.47	5.68	5.53	0.14
Sports / Movement Science	43	95.35	27.91	18.60	0.00	2.84	4.70	-2.02
Sports Studies	27	100.00	81.48	48.15	3.70	4.52	5.76	-1.24

*A Levels*

Art	-1.00	5	20	20	40	60	100	100
Biology	0.08	12	17	17	33	50	75	100
Business Studies	-0.17	12	0	0	50	75	83	100
Chemistry	0.00	10	10	20	50	50	80	100
Design & Technology	-0.63	8	0	0	13	50	88	100
Drama	0.00	4	0	0	25	75	100	100
Economics	-0.69	16	0	6	13	25	50	81
English	-0.42	12	0	0	17	42	75	100
French	0.00	1	0	0	0	100	100	100
Further Mathematics	-0.75	4	0	25	50	50	75	75
Geography	0.20	5	20	20	40	80	100	100
History	-0.17	12	0	8	25	75	75	92
Italian	0.00	3	0	33	100	100	100	100
Mathematics	-0.64	22	5	14	23	27	55	73
Philosophy	-0.80	5	0	0	20	40	40	100
Physical Education	-0.67	3	0	0	0	33	67	67
Physics	0.80	5	20	40	60	80	80	80
Psychology	-0.08	12	0	0	17	50	83	100
Sociology	-0.08	12	0	0	50	75	92	92

## Trustees' report (including the strategic report) Year to 31 August 2023

### STRATEGIC REPORT (continued)

#### Achievements and performance (continued)

##### Key Stage 4 2023

###### Applied General

Subject	VA	Entries	%Di*	%Di*-Di	%Di*-M	%Di*-P
Business Certificate	0.16	28	0	18	39	79
Business Diploma	-0.39	14	0	21	21	57
Dance National Extended Diploma	2.71	7	86	100	100	100
Electronics	0.86	14	21	43	50	93
Engineering National Diploma	2.08	6	50	100	100	100
Engineering National Extended Diploma	1.00	4	0	100	100	100
Food Preparation and Nutrition	0.50	6	0	33	50	100
Music	1.00	1	0	100	100	100
Science BTEC	0.54	14	0	14	50	93
Sport Diploma	1.00	6	17	50	67	100
Sport Extended Certificate	0.80	10	20	40	50	100
Travel & Tourism	0.25	12	0	17	33	83

##### Educational progress to 31 August 2023

###### Primary Assessments Summer 2023

###### Reception – end of Early Years Foundation Stage

The children are assessed against 17 standards. It is a binary result – they have either met the standard or they haven't. If they achieve a specific combination they are deemed to have achieved "Good Level of Development."

###### 2023 – GLD

Roselands 71.1%: Cranbourne 56% (typical level pre-covid would have been approximately 80% at both schools)

*Locally and nationally schools are reporting that GLD scores are well below what would normally be seen. Our youngest children have been hugely affected by disruption to their early childhood experiences through the pandemic.*

###### Year 1 phonics

The children have to read 40 phonetically regular words, some are real words, some are not. They have to score 32 to meet the required standard.

###### 2023

Roselands 76%

Cranbourne 61% (pre-pandemic results were 90%+ at both schools)

###### Year 2 phonics

Any children who did not meet the standard in Year 1 were required to be screened again this June.

Roselands 11 children - 8 reached 32. Cranbourne 14 children - 13 reached 32

###### Year 2 – end of KS1

The children sit test papers in reading and maths, and these scores are used to inform teacher assessments. It is the teacher assessment which is recorded for the child. There are optional grammar and spelling tests. Writing is purely teacher assessments. Each year a number of schools are chosen for external moderation of writing standards. Roselands were moderated last year, and one of the year 2 teachers at Cranbourne is a moderator so we can be confident our assessments are accurate.

Roselands: Reading 67%; Writing 55%; Maths 61%

**Trustees' report (including the strategic report) Year to 31 August 2023**

**STRATEGIC REPORT (continued)**

**Educational progress to 31 August 2023 (continued)**

***Primary Assessments Summer 2023 (continued)***

*Cranbourne: Reading 78%; Writing 57%; Maths 76%*

*None of these children were in school from March to June 2020. At least half were not in school June/July of 2020. Many of them were not in school in January/February 2021. The writing has been particularly badly hit as many did no writing at all during the lockdown periods, and it was extremely difficult to teach this remotely. The writing data is comparable to what is being reported locally and nationally.*

***Year 4 MTC (multiplication tables check)***

The children have 25 questions, 6 seconds to answer each. There is no pass mark/standard achieved.

Roselands: 25/25 31% 20+/25 77% Two children were disapplied from the test as working at Year 1 level.

**Cranbourne**

2 children were absent, one was likely to have scored 20+ and one below, but we cannot be sure in a test situation. The figures given below do not include those children i.e. only those who actually took the test, with figures in brackets including those children with a zero score.

25/25 60% (58%) 20+/25 89% (86%)

***Year 6 – end of KS2***

Roselands: Reading Expected Standard 70%% Greater depth 30 %

Cranbourne: Reading Expected Standard 53%, Greater depth 7%

Roselands: Writing Expected standard 68% 16% greater depth

Cranbourne: Writing Expected standard 53% Greater depth 7%

Roselands: Maths Expected standard 64% 36% greater depth

Cranbourne: Maths Expected standard 53% Greater depth 7%

## **STRATEGIC REPORT (continued)**

### **Financial review**

#### ***The financial effect of significant events on the financial performance of the Trust***

The Trust's financial position is primarily affected by changes in the number of pupils on roll at each of its Academies as these determine the vast majority of Trust income. Great care is therefore taken using an integrated approach to curriculum and financial planning in each of its Academies to ensure that its major expenditure, staffing, is affordable. Around 80% of expenditure is on staffing, and this must be deployed efficiently so as to enable the Trust's Academies to deliver the curricula and educational outcomes that they intend within their means.

#### ***The principal risks and uncertainties to which the Trust is exposed, and mitigating actions that are performed***

The key risk to the Trust was that the transfer of the three schools to Danes Educational Trust will fail. To mitigate this risk, both trusts were given extra support to ensure the transfer will take place on 31 December 2023.

Risks related to the Academy's estate were monitored and managed through the year. The Estate Committee used the DfE Good Estate Management for Schools (GEMS) guidance as a framework to help ensure compliance with all relevant legislation and standards.

#### ***Explanation of the financial position of the Trust at the reporting date with context and insight into material or significant figures and balances***

The Trust policy was therefore to retain at least one month's salary as a central reserve.

The Education and Skills Funding Agency also states that Trustees need to consider how "liquid" their revenue reserves should be. A review of best practice suggests that for individual academies, an operating reserve of 2.5% of salary costs is appropriate to ensure that each is able to operate within its means in the short and medium term.

The Trust's policy was therefore for each individual academy to retain an operating reserve of 2.5% of budgeted salary costs for the financial year. This was in addition to any budgeted revenue surplus, and was intended to ensure that, in the short and medium term, operating reserves are neither higher than necessary, tying up money unnecessarily, or too low, increasing the risk to the individual academy's ability to carry on its activities in future in the event of financial difficulties.

The level of reserves held centrally or locally is subject to annual review. The balance at The John Warner School has increased with a view to making financial contributions to two Condition Improvement Fund bids for roof and window replacement on its oldest buildings. At The Cranbourne Primary School similar savings are intended to support future infrastructure improvement, whilst Roselands Primary School roughly breaks even currently.



## **STRATEGIC REPORT (continued)**

### **Financial review**

#### ***Financial report for the year***

The operational activities of the Academy Trust during the year ended 31 August 2023 generated total income of £13.634m (2022 - £12.263m), which was primarily derived from core GAG funding of £10.557m (2022 - £10.382m). Total expenditure for the year ended 31 August 2023 amounted to £12.515m (2022 - £12.755m) including depreciation on tangible fixed assets of £0.784m (2022 - £0.824m).

The Academy Trust continues to recognise its liability in respect of the Hertfordshire Local Government Pension Scheme on its balance sheet, which as at 31 August 2023 amounted to £0.336m (2022 - £0.646m). The Academy Trust makes contributions to this pension scheme in accordance with the advice of the actuary and these contributions are funded from the General Annual Grant.

#### ***Key financial performance indicators***

In terms of financial key performance indicators, the Trustees' main goal is to maintain a balanced budget at all times and to therefore undertake the Academy Trust's educational operations in such a way that all costs incurred are fully funded by an identified and receivable source of income.

The Trustees monitor expenditure against budget during the year and look at forecast cash flows to ensure continuing solvency.

In order to ensure value for money and sustainability Trustees' decision making is informed by benchmarking exercises embedded in the Education and Skills Funding Agency's School Resource Management Self-Assessment Tool with a particular focus on actual, budgeted and forecast staff costs as a proportion of revenue income with the aim that these ratios should be maintained between 77% and 82% in each case.

#### ***Promoting the success of the company***

The Hoddesdon School Trust's Directors are its Trustees.

All Trustees are bound by the Nolan Principles and are signatories to a Code of Conduct and are committed to acting in the way they consider most likely to promote the success of the Trust by having regard for the likely consequences of any decision they make in the long term, and for the interests of the Trust's employees.

Trustees promote the Trust's ethical approach to business relationships with its suppliers, and with all its community stakeholders. They are conscious of the potential impact of the Trust's operations on the community and the environment and are at all times mindful of the desirability of the Trust maintaining a reputation for high standards of business conduct as well as educational outcomes. Relationships with suppliers and stakeholders are grounded in the firmly held belief in the need to act fairly, as between members of the company.

## **STRATEGIC REPORT** (continued)

### **Financial review** (continued)

#### ***Financial and risk management objectives and policies***

The Trustees have a robust attitude to risk management. The risk register matrix defines and considers risk, its potential impact, control procedures, monitoring and responsibility. The register is reviewed annually by the Audit and Risk Committee. The risk register matrix categorises risk under the following headings: strategic; reputational; operational and compliance risks. Trustees additionally consider business continuity planning.

Trustees complete criminal records bureau checks as they undertake site visits in respect of their work in safeguarding, health and safety, admissions and other relevant activities. Trustees receive regular reports from staff and Trustee feedback following onsite visits.

A comprehensive insurance policy is in place providing cover for the main risks, alongside statutory requirements.

#### ***Reserves policy***

The Trustees' policy is to use its reserves to manage uncertainty and to fund future purchases or activities in accordance with its Strategic Plan.

Trustees retain at least one-month's salary cost as a revenue reserve because, whilst the risks of unplanned closure are currently low, such a policy will help to address the risks associated with the impact of such an event on the Trust's beneficiaries, its staff and volunteers.

Trustees also consider the degree of liquidity required by their reserves in order to fulfil the Trust's objectives, and to that effect each individual academy is expected to retain an operating reserve of 2.5% of budgeted salary costs for the financial year. This is in addition to any budgeted revenue surplus, and is intended to ensure that, in the short and medium term, operating reserves are neither higher than necessary, tying up money unnecessarily, or too low, increasing the risk to the individual academy's ability to carry on its activities in future in the event of financial difficulties.

The level of reserves held centrally or locally will be subject to annual review, and as at the balance sheet date, the Academy Trust had free unrestricted reserves of £2.702m (2022 - £2.214m).

The Trustees intend to utilise these reserves in accordance with their published Reserves Policy to deliver the objectives set out in the Trust's Strategic Plan which focuses on its Governance, Leadership and Management, Safeguarding and Wellbeing, on all aspects of Organisational Maintenance, Development and Compliance, and on the continued improvement of the Curriculum and Educational Outcomes provided by the Trust for its beneficiaries.

## **STRATEGIC REPORT (continued)**

### **Financial review (continued)**

#### ***Investment policy***

The Trustees' investment powers are set down in the Academy Trust's Memorandum and Articles of Association, which permit the investment of monies of the Academy Trust which are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law. The Academy Trust's current policy is to invest surplus funds in short-term cash deposits.

#### ***Principal risks and uncertainties***

As mentioned previously, the Academy Trust has a comprehensive risk management approach embedded throughout all of its operations. The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to teaching and other operational areas of the Trust and its finances. Appropriate systems, policies, procedures and controls have been put in place so as to ensure that the various risks do not impact adversely on the Trust's operations. These have been detailed in the section 'financial review.'

#### ***Fundraising***

The Academy Trust does not conduct fundraising itself, however each of the constituent schools benefits, from time to time, from funds raised by charities whose objects are to do so in support of the schools' aims. These are Parent-Teacher Associations regulated by the Charities Commission and are linked to and share the name of the related individual schools. They are independent of those schools.

#### **Post balance sheet events, future plans and going concern**

In December 2022 Ofsted, following an inspection in October 2022, published a report confirming that The John Warner School was judged to be inadequate and required special measures. In January 2023, the Department for Education issued a Termination Warning Notice in respect of the funding agreement between the Department and the Academy Trust for The John Warner School. At the direction of the Department, the School was to be transferred to another Trust. The Trustees agreed that it would be appropriate for the two primary schools to also transfer to the same Trust. The Department approved the transfer of all three schools to Danes Educational Trust in July 2023. The transfer will take place on 31 December 2023.

In the interim period, The Hoddesdon School Trust and Danes Educational Trust has entered into a service-level agreement to provide associate membership of Danes Educational Trust to the three schools. When the schools transfer to Danes Educational Trust, the Trust will transfer its activities, including all assets, liabilities and undertakings. The transfer of assets, liabilities and undertakings will be as a going concern. Following the transfer the Trust will become dormant and be subsequently dissolved during 2024 once all administrative processes have concluded. The Trustees have therefore prepared the financial statements using a basis other than going concern basis but no specific adjustments were needed to reflect that the Trust will be taken over by transfer to the Danes Educational Trust.

## **STRATEGIC REPORT (continued)**

#### **Funds held as custodian trustee on behalf of others**

Although the Academy Trust maintains restricted funds to deal with income that are earmarked for a particular purpose by donors, sponsors, and other funders, the Academy Trust holds a small grant from founders in support of VI students as a custodian ..

**Trustees' report (including the strategic report) Year to 31 August 2023**

**AUDITOR**

In so far as the Trustees are aware:

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

The Trustees' Annual Report is approved by order of the Board of Trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'A Pask', with a large, stylized initial 'A'.

Chair of Trustees  
Mrs A Pask

Date 20 December 2023

## **Governance statement Year to 31 August 2023**

### **Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that The Hoddesdon School 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 the requirements and responsibilities assigned to it in the funding agreement between the Academy Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### **Governance**

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

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

All decisions reserved to the Trustees are taken by the Board as a whole, in accordance with its Terms of Reference and its Scheme of Delegation. Board committees meet during the year to consider detailed matters and recommend decisions to the full Board.

During the period for which this report accounts, the Trust Board, in addition to its Local Governing Bodies, operated an Audit and Risk Assurance Committee, a Finance Committee, a Personnel and Pay Committee an Estate Committee and an Education and Standards Committee, each operating under clearly articulated Terms of Reference.

The Audit and Risk Assurance Committee considered issues relating to the systems and processes of control and risk management that operated throughout The Hoddesdon School Trust, and made recommendations to the Board. It met five times in this accounting period, and will meet at least three times in future accounting periods.

The Finance Committee performed detailed scrutiny of all management accounts, budgets and revisions, and related financial matters. It is chaired by a Chartered Accountant. The committee met four times in this accounting period

The Personnel and Pay committee met three times in the accounting period

The Estate Committee met six times in the accounting period

The Education and Standards Committee met three times in the accounting

The Trust Board retained the decision not to convene additional regular committee meetings in order to maximise Trustee first-hand engagement with work of the Trust, however a Sports Centre committee and ad hoc groups of Trustees are established, as and when required, to consider specific issues and make recommendations to the Board.

## Governance statement Year to 31 August 2023

### Governance (continued)

The day-to-day management of the Academy Trust rests with the current Chief Executive Officer and Executive Headteacher, who is the Accounting Officer, the Chief Financial Officer and the Headteachers of the constituent Academies. This Senior Management Team has the overall responsibility for operations, across the Trust.

The Board of Trustees has formally met 11 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr D A Allman (resigned 15/9/23)	11	11
Ms J E M Carson (Co-opted) (resigned 9/2/23)	6	6
Mr G A Dykes (resigned 22/9/23)	10	11
Mrs F L Ives (resigned 22/9/23)	8	11
Mr D J Kennedy (Chair) (resigned 22/9/23)	11	11
Mr R J McCarthy BEM (resigned 22/9/23)	11	11
Mrs R E Semark (Co-opted) (resigned 9/2/23)	6	6
Mr A Shah-Cundy (resigned 15/6/23)	6	8
Mr M Bown (resigned 26/5/23)	6	7
Mrs S Ventham (resigned 22/9/23)	8	11
Mrs M C Sykes (resigned 17 October 2022)	2	2

The Audit and Risk Assurance Committee met 3 times during the year. Attendance at the Audit and Risk Assurance Committee meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr D A Allman (Accounting Officer)	3	3
Mr M Bown	1	2
Mr D J Kennedy	3	3
Mr A Shah-Cundy	1	3
Mr R J McCarthy BEM (Chair)	3	3

The Finance Committee met 4 times during the year. Attendance at the Finance Committee meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr D A Allman (Accounting Officer)	4	4
Mr G A Dykes (Chair)	4	4
Mr D J Kennedy	2	4
Mr M J McCarthy BEM (Chair)	1	1
Mrs S Ventham	2	4

## Governance statement Year to 31 August 2023

### Governance (continued)

The Personnel and Pay Committee met 3 times during the year. Attendance at the Pay Committee meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr D A Allman (Accounting Officer)	3	3
Mrs F L Ives	3	3
Mr D J Kennedy	3	3
Mr R J McCarthy BEM	3	3

The Estate Committee met once during the year. Attendance at the Estates Committee meeting was as follows:

Trustee	Meetings attended	Out of a possible
Mr D A Allman (Accounting Officer)	1	1
Mr A Shah-Cundy	1	1
Mr D J Kennedy (Chair)	1	1
Mr R J McCarthy BEM	1	1
Mr G Dykes	1	1
Mrs F L Ives	1	1

The Education and Standards Committee met 2 times during the year. Attendance at the Education and Standards Committee meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr D A Allman (Accounting Officer)	2	2
Mr G Dykes	1	2
Mrs F L Ives	0	2
Mr D J Kennedy	2	2
Mr R J McCarthy BEM (Chair)	2	2

The Academy Trust conducted an annual assessment of the Trust Board's skills and experience and a review of the Board's composition in terms of skills, effectiveness, leadership and impact, using the Department for Education's Governance Handbook and the Governance Competency Framework.

Recommendations from this process were that that Local Governing Bodies receive appropriate training in relation to:

- Financial frameworks and accountability
- Budget monitoring and self-evaluation in relation to financial performance, efficiency and control
- The relationship between pay, performance and wider financial planning.
- Risk management and internal control
- Educational standards

Appropriate arrangements have been put in place to provide the required training using a range of providers both face to face and online to cater for the range of preferred learning styles.

**Conflicts of interest**

The Trust maintains an up-to-date and complete register of interests, and the information on this register is used in the day-to-day management and governance of the academy trust. Declarations of business or other pecuniary interests are made annually by all staff and governors, and confirmed at each governance meeting. The Trust does not have ownership or control of any subsidiaries, joint ventures or associates.

**Review of Value for Money**

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

- ◆ Procuring specialist contractors to deliver statutory compliance checks and maintenance across the estate. This is expected to assist in extending the lifespan of key infrastructure assets

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

- ◆ The allocation of resources to best promote the aims and values of the Academy Trust;
- ◆ The targeting of resources to best improve standards and the quality of provision;
- ◆ The use of resources to best support the various educational needs of all students; and
- ◆ Re-procured specialist contractors to deliver statutory compliance checks and maintenance across the estate. This is expected to assist in extending the lifespan of key infrastructure assets.

***Example 1: Educational Outcomes – Disadvantaged Pupils***

Across the Academy Trust, spending is guided by The Sutton Trust-EEF Teaching and Learning Toolkit (<http://educationendowmentfoundation.org.uk/toolkit/>). This provides a summary of educational research and so offers guidance for teachers and schools on how to use their resources to improve the attainment of disadvantaged pupils, both in terms of making an initial choice between strategies, and in implementing a strategy as effectively as possible.

The authors acknowledge that 'the relationship between spending and pupil outcomes is not simple' and that 'at school level, it is clear that different ways of spending school budgets can have very different impacts on pupil attainment, and choosing what to prioritise is not easy.' They accept that 'even once a decision to implement a particular strategy has been taken there are a wide variety of factors which determine its impact.'



### **Review of Value for Money (continued)**

#### ***Example 1: Educational Outcomes – Disadvantaged Pupils (continued)***

We have made our decisions based on the average impact of a particular strategy on attainment, the strength of the evidence supporting the claim of impact, and the related cost, as set out in the toolkit, together with our own knowledge of the specific needs of eligible pupils. Further details about the impact of this are available under 'Pupil Premium' on the website of each of the constituent Academies.

#### ***Example 2: Continuing Professional Development of Staff***

The continuing professional development of staff is essential to building organisational capacity, and sustaining improvements in effectiveness and efficiency.

Teaching staff across the Trust have benefited from shared training in educational practice and in leadership development at significantly reduced costs because that training has either been provided in-house by existing trained facilitators, or by external trainers at reduced unit cost because of the opportunity to share and thus proportionately reduce the cost to individual schools.

The impact is both educational and cultural, enabling the Trust to develop internal coherence and strength by effecting real change in measurable outcomes for negligible expenditure and therefore represents excellent value for money.

#### ***Example 3: Contract review, shared staff and joint purchasing***

Contract review for both cleaning and energy services means benchmarking data shows this is very good value across the Trust.

Sharing staff across Academies enables a reduction in non-contact time in one Academy and the provision of planning, preparation and assessment time in others, thereby securing internal efficiencies.

Joint purchasing for consumables and Trust wide contracts for reprographics will enhance benefits further and internal expertise in IT procurement continues to bring about enhanced value for money, particularly regarding hardware replacements and upgrades.

### **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 the Academy Trust's 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 at the Academy Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

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

## **Governance statement Year to 31 August 2023**

annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### **The risk and control framework**

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

- ◆ comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- ◆ regular reviews by the Board of Trustees 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; and
- ◆ identification and management of risks.

In accordance with the requirements of the Academy Trust Handbook (September 2022), The Hoddesdon School Trust decided to buy-in an internal audit service from Strictly Education Ltd to give advice on financial and other matters and perform a range of checks on the Academy Trust's financial and other systems. The checks to be carried out were determined by the Trust Board and were informed by the Trust's Risk Register.

The foci for internal assurance in the accounting period were:

- ◆ Safeguarding
- ◆ Payroll
- ◆ Risk management

On at least an annual basis, the internal auditor reports to the Board of Trustees, through the Audit and Risk Assurance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Committee consider actions and assess year on year progress.

## Governance statement Year to 31 August 2023

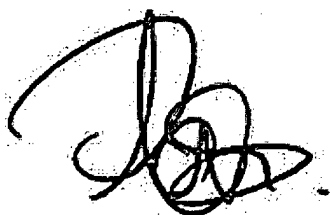
### Review of effectiveness

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

- ◆ the internal assurance work;
- ◆ the work of the external auditor;
- ◆ the financial management and governance self-assessment processes and the school resource management self-assessment tool;
- ◆ the work of the Audit and Risk Assurance Committee and of the Finance Committee; and
- ◆ the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

Mr David Allman acted as Accounting Officer until 31 October 2023 for the period which is referred to in these accounts. The Trust Board appointed Dr J Valentine in succession.

Approved by order of the Board of Trustees on 18 December 2023 and signed on its behalf by:



(Chair of Trustees)  
Mrs A Pask



(Accounting Officer)  
Dr J Valentine

## Statement of regularity, propriety and compliance Year to 31 August 2023

Following the changes in the senior management team at Hoddesdon School Trust on 22 September 2023, I was appointed Accounting Officer from 1 November 2023, after the end of the financial year to which this report refers.

As Accounting Officer of The Hoddesdon School Trust, I have considered my responsibility to notify the Academy Trust's Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, including for estates safety and management, under the funding agreement in place between the Academy Trust and the Secretary of State. 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 and the Academy Trust Handbook.

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.

In reaching this conclusion, I have obtained assurances from senior management team members in post within the Academy Trust prior to 31 October 2023.

A handwritten signature in black ink that reads "Josephine Valentine". The signature is written in a cursive style with a large, stylized 'J'.

Accounting Officer: Dr J Valentine

## Statement of Trustees' responsibilities Year to 31 August 2023

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

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP FRS 102 and the Academies Accounts Direction 2022 to 2023;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Academy Trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Academy Trust 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 Academy Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

The period referred to in these accounts was overseen by a different Trust Board than that which is currently in place at the point of approval of the financial statements.

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



Chair of Trustees: Mrs A Pask  
Date 20 December 2023

## **Independent auditor's report on the financial statements Year to 31 August 2023**

### **Independent auditor's report to the members of The Hoddesdon School Trust**

#### **Opinion**

We have audited the financial statements of The Hoddesdon School Trust (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the 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 FRS 102) 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 FRS102 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.

#### **Emphasis of Matter – basis of preparation**

We draw attention to pages 3 and 17 of the Trustees Report and the principal accounting policies on page 39 which explain that the activities of the Trust will be transferred to another education provider on 31 December 2023 and the Trust will cease operating as an Academy Trust. The board therefore do not consider that it is appropriate to adopt a going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than that of going concern. Our opinion is not modified in respect of this matter.

## **Independent auditor's report on the financial statements Year to 31 August 2023**

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

## **Independent auditor's report on the financial statements Year to 31 August 2023**

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors 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 FRS102, 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 papers provided to the Trustees



## **Independent auditor's report on the financial statements Year to 31 August 2023**

### **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;
- ◆ 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.

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

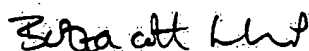
**Auditor's responsibilities for the audit of the financial statements (continued)**

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 [frc.org.uk/auditors-responsibilities](https://www.frc.org.uk/auditors-responsibilities). 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.



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

21 December 2023

**Independent reporting auditor's assurance report on regularity to The Hoddesdon School Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter 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 The Hoddesdon School Trust during the year 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 The Hoddesdon School Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Hoddesdon School 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 Hoddesdon School Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of The Hoddesdon School Trust's Accounting Officer and the reporting auditor**

The Accounting Officer is responsible, under the requirements of The Hoddesdon School Trust's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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.

## **Independent accountant's report on regularity 31 August 2023**

### **Approach (continued)**

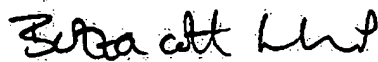
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Academy 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 year from 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

21 December 2023

**Statement of financial activities (including income and expenditure account) 31 August 2023**

	Notes	Unrestricted general fund £	Restricted funds		2023 Total funds £	2022 Total funds £
			General £	Fixed assets fund £		
<b>Income from:</b>						
Donations and capital grants	1	20,338	129,188	929,788	1,079,314	236,126
Charitable activities						
· Funding for the Academy Trust's educational operations	4	111,346	12,086,520	—	12,197,866	11,614,516
Other trading activities	2	339,601	—	—	339,601	411,041
Investments	3	16,812	—	—	16,812	1,066
<b>Total income</b>		<b>488,097</b>	<b>12,215,708</b>	<b>929,788</b>	<b>13,633,593</b>	<b>12,262,749</b>
<b>Expenditure from</b>						
Charitable activities						
· Academy Trust's educational operations	5	—	11,730,549	784,100	12,514,649	12,755,480
<b>Total expenditure</b>		<b>—</b>	<b>11,730,549</b>	<b>784,100</b>	<b>12,514,649</b>	<b>12,755,480</b>
<b>Net income (expenditure) before transfers</b>		<b>488,097</b>	<b>485,159</b>	<b>145,688</b>	<b>1,118,944</b>	<b>(492,731)</b>
Transfers between funds	16	—	(481,784)	481,784	—	—
<b>Net income (expenditure) for year</b>		<b>488,097</b>	<b>3,375</b>	<b>627,472</b>	<b>1,118,944</b>	<b>(492,731)</b>
<b>Other recognised gains and losses</b>						
Actuarial gain/(loss) on defined benefit pension scheme	21	—	402,000	—	402,000	5,099,000
<b>Net movement in funds</b>		<b>488,097</b>	<b>405,375</b>	<b>627,472</b>	<b>1,520,944</b>	<b>4,606,269</b>
<b>Reconciliation of funds</b>						
Total fund balances brought forward at 1 September 2022		2,214,142	(55,487)	42,207,297	44,365,952	39,759,683
<b>Total fund balances carried forward at 31 August 2023</b>		<b>2,702,239</b>	<b>349,888</b>	<b>42,834,769</b>	<b>45,886,896</b>	<b>44,365,952</b>

All activities derive from continuing operations.

All recognised gains and losses are included in the statement of financial activities.

## Balance sheet 31 August 2023

	Notes	2023 £	2023 £	2022 £	2022 £
<b>Fixed assets</b>					
Tangible fixed assets	11		42,834,769		42,127,248
Investments	12		25		25
			<u>42,834,794</u>		<u>42,127,273</u>
<b>Current assets</b>					
Stock	13	21,698		21,792	
Debtors	14	817,400		385,176	
Cash at bank and in hand		<u>3,526,029</u>		<u>3,498,815</u>	
		4,365,127		3,905,783	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	15	(977,025)		(1,021,104)	
<b>Net current assets</b>			<u>3,388,102</u>		<u>2,884,679</u>
<b>Net assets excluding pension scheme liability</b>			46,222,896		45,011,952
Defined benefit pension scheme liability	21		(336,000)		(646,000)
<b>Total net assets</b>			<u>45,886,896</u>		<u>44,365,952</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	16		42,834,769		42,207,297
Restricted income fund	16		685,888		590,513
Pension reserve	16		(336,000)		(646,000)
<b>Total restricted funds</b>			<u>43,184,657</u>		<u>42,151,810</u>
<b>Unrestricted income funds</b>					
General fund	1619		<u>2,702,239</u>		<u>2,214,142</u>
<b>Total funds</b>			<u>45,886,896</u>		<u>44,365,952</u>

The financial statements were approved by the Trustees and authorised for issue and are signed on their behalf by:



Chair: Mrs A Pask

Date: 20 December 2023

The Hoddesdon School Trust  
Company Limited by Guarantee  
Registration Number: 07555066 (England and Wales)

# Statement of cash flows 31 August 2023

		2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	A	443,047	829,655
<b>Cash flows from investing activities</b>	B	(415,833)	124,500
<b>Change in cash and cash equivalents in the year</b>		27,214	954,255
<b>Cash and cash equivalents at 1 September 2022</b>		3,498,815	2,544,560
<b>Cash and cash equivalents at 31 August 2023</b>	C	3,526,029	3,498,815

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

	2023 £	2022 £
<b>Net income (expenditure) for the year (as per the statement of financial activities)</b>	1,118,944	(492,731)
<b>Adjusted for:</b>		
Depreciation charges	784,100	823,795
Capital grants from DfE, other capital income less clawback	(1,058,976)	(233,610)
Interest receivable (note 3)	(16,812)	(1,066)
Decrease in stocks	94	4,885
(Increase) in debtors	(432,224)	(30,886)
(Decrease) increase in creditors	(44,079)	180,268
Defined benefit pension finance cost	281,000	90,000
Defined benefit pension cost less contributions	(189,000)	489,000
<b>Net cash provided by operating activities</b>	443,047	829,655

## B Cash flows from investing activities

	2023 £	2022 £
Interest received	16,812	1,066
Purchase of tangible fixed assets	(1,491,621)	(110,076)
Capital grants from DfE/ESFA including clawback payments	1,058,976	233,610
<b>Net cash (used in) provided by investing activities</b>	(415,833)	124,600

## C Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	3,498,815	2,544,560
<b>Total cash and cash equivalents</b>	3,498,815	2,544,560

**Statement of cash flows 31 August 2023**

**D Analysis of changes in net debt**

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank	3,498,815	27,214	<b>3,526,029</b>
<b>Total</b>	<b>3,498,815</b>	<b>27,214</b>	<b>3,526,029</b>



## Principal accounting policies 31 August 2023

### **Statement of accounting policies**

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

### **Basis of preparation**

The financial statements of the Academy 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.

The Hoddesdon School Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in sterling and rounded to the nearest pound.

### **Going concern**

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

The Trustees will transfer the Academy Trust's assets, liabilities and undertakings to another academy trust, Danes Educational Trust, on 31 December 2023.

The transfer will see the assets, liabilities and all undertakings of the Academy Trust transferred and the Academy Trust will subsequently wound up in an orderly manner. The financial statements have been prepared on a going concern basis applying the accounting policies on pages 39 to 44 and no adjustments were needed to reflect the transfer to another multi academy trust.

### **Income**

All income is recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount 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.

**Income (continued)**

**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.

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

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance 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.

**Other trading income**

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

**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.

**Charitable activities**

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

All expenditure is stated net of recoverable VAT.

**Agency arrangements**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 23.

**Tangible fixed assets**

All tangible assets purchased that have a cost that exceeds £5,000 and an expected useful economic life that exceeds one year are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets, other than freehold land and assets in the course of construction, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

## Principal accounting policies 31 August 2023

Freehold buildings      over 15 to 54 years

Plant and machinery    over 4 to 20 years

Assets in the course of construction are included at cost. No depreciation will be charged on these assets until they have been completed and brought into use.

A review for potential impairment of fixed assets is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable or in instances when the remaining useful life is assessed to be in excess of 50 years. Impairment losses that may arise would be 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 Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

### **Provisions**

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

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

### **Leased assets**

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

#### **Financial instruments**

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### **Stock**

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

#### **Taxation**

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

#### **Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

**Pensions benefits (continued)**

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated 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 funds comprise the accumulated surpluses of unrestricted income over expenditure, which are available for use in furtherance of the general objectives of the Academy Trust and at the discretion of the Trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year-end are carried forward in the balance sheet.

Restricted fixed assets funds are resources which are to be applied to specific capital purposes imposed by the funders where the assets acquired or created are tangible fixed assets. Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Education and Skills Funding Agency and the Department for Education.

**Critical accounting estimates and areas of judgement**

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

**Critical accounting estimates and assumptions**

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

## Principal accounting policies 31 August 2023

- ◆ The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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;
- ◆ Estimating the useful economic life of tangible fixed assets for the purposes of calculating depreciation; and

### **Critical areas of judgement**

The Trustees do not consider that there are any areas of judgement which are critical to the Academy Trust's financial statements.

Notes to the financial statements Year to 31 August 2023

**1 Donations and capital grants**

	Unrestricted funds £	Restricted funds £	Restricted fixed assets funds £	<b>2023 Total funds £</b>	<b>2022 Total funds £</b>
Capital grants	—	129,188	929,788	<b>1,058,976</b>	233,610
Other donations	20,338	—	—	<b>20,338</b>	2,516
	<u>20,338</u>	<u>129,188</u>	<u>929,788</u>	<u><b>1,079,314</b></u>	<u>236,126</u>

	Unrestricted funds £	Restricted funds £	Restricted fixed assets funds £	<b>2022 Total funds £</b>
Capital grants	—	43,485	190,125	233,610
Other donations	2,516	—	—	2,516
	<u>2,516</u>	<u>43,485</u>	<u>190,125</u>	<u>236,126</u>

**2 Other trading activities**

	Unrestricted funds £	Restricted funds £	<b>2023 Total funds £</b>	<b>2022 Total funds £</b>
Hire of facilities/lettings income	13,034	—	<b>13,034</b>	10,019
Income from ancillary trading activities	321,668	—	<b>321,668</b>	332,188
Miscellaneous income	4,899	—	<b>4,899</b>	68,834
	<u>339,601</u>	<u>—</u>	<u><b>339,601</b></u>	<u>411,041</u>

	Unrestricted funds £	Restricted funds £	<b>2022 Total funds £</b>
Hire of facilities/lettings income	10,019	—	10,019
Income from ancillary trading activities	332,188	—	332,188
Miscellaneous income	68,834	—	68,834
	<u>411,041</u>	<u>—</u>	<u>411,041</u>

Notes to the financial statements Year to 31 August 2023

**3 Investment income**

	Unrestricted funds £	Restricted funds £	<b>2023 Total funds £</b>	2022 Total funds £
Interest receivable	16,812	—	<b>16,812</b>	1,066

	Unrestricted funds £	Restricted funds £	2022 Total funds £
Interest receivable	1,066	—	1,066

**4 Funding for the Academy Trust's educational operations**

	Unrestricted funds £	Restricted funds £	<b>2023 Total funds £</b>	2022 Total funds £
<b>DfE / ESFA revenue grants</b>				
General Annual Grant (GAG)	—	10,557,339	<b>10,557,339</b>	10,382,121
Other DfE / ESFA grants				
· UIFSM	—	96,960	<b>96,960</b>	87,980
· Pupil Premium	—	354,940	<b>354,940</b>	339,490
· Other	—	667,310	<b>667,310</b>	460,993
	—	11,676,549	<b>11,676,549</b>	11,270,584
<b>Other Government grants</b>				
· Local authority grants	—	271,039	<b>271,039</b>	203,182
	—	271,039	<b>271,039</b>	203,182
<b>Other income from the Academy Trust's educational operations</b>	111,346	138,932	<b>250,278</b>	140,750
	111,346	12,086,520	<b>12,197,866</b>	11,614,516



Notes to the financial statements Year to 31 August 2023

**4 Funding for the Academy Trust's educational operations (continued)**

	Unrestricted funds £	Restricted funds £	2022 Total funds £
<b>DfE / ESFA revenue grants</b>			
. General Annual Grant (GAG)	—	10,382,121	10,382,121
<b>Other DfE / ESFA grants</b>			
. UIFSM	—	87,980	87,980
. Pupil Premium	—	339,490	339,490
. Other	—	460,993	460,993
	—	11,270,584	11,270,584
<b>Other Government grants</b>			
. Local authority grants	—	203,182	203,182
	—	203,182	203,182
<b>Other income from the Academy Trust's educational operations</b>	103,972	36,778	140,750
	103,972	11,510,544	11,614,516

**5 Expenditure**

	Staff costs (note 8) £	Non pay expenditure		2023 Total funds £	2022 Total funds £
		Premises £	Other costs £		
<b>Academy Trust's educational operations:</b>					
. Direct costs	8,179,889	784,101	931,972	9,895,962	9,782,798
. Support costs	987,945	800,194	830,548	2,618,687	2,972,682
	9,167,834	1,584,295	1,762,520	12,514,649	12,755,480

	Staff costs (note 8) £	Non pay expenditure		2022 Total funds £
		Premises £	Other costs £	
<b>Academy Trust's educational operations:</b>				
. Direct costs	8,049,393	823,794	909,611	9,782,798
. Support costs	1,408,982	731,461	832,239	2,972,682
	9,458,375	1,555,255	1,741,850	12,755,480

Notes to the financial statements Year to 31 August 2023

**5 Expenditure (continued)**

	<b>2023 Total funds £</b>	<b>2022 Total funds £</b>
<b>Net expenditure for the year includes:</b>		
Depreciation	<b>784,100</b>	823,795
Fees payable to auditor		
. Audit services	<b>16,450</b>	14,500
. Other assurance services	<b>5,400</b>	5,000
. Other services	<b>5,400</b>	5,250

**6 Charitable activities – Academy Trust's educational operations**

	<b>2023 Total funds £</b>	<b>2022 Total funds £</b>
Direct costs	<b>9,895,962</b>	9,782,798
Support costs	<b>2,618,687</b>	2,972,682
	<b>12,514,649</b>	12,755,480

	<b>2023 Total funds £</b>	<b>2022 Total funds £</b>
<b>Analysis of support costs</b>		
Support staff costs	<b>987,945</b>	1,408,982
Premises costs	<b>800,194</b>	731,461
Legal costs – other	<b>60,140</b>	40,057
Other support costs	<b>686,299</b>	731,261
Governance costs	<b>84,109</b>	60,921
<b>Total support costs</b>	<b>2,618,687</b>	2,972,682

## Notes to the financial statements Year to 31 August 2023

### 7 Comparative information

		Unrestricted general fund £	Restricted funds		2022 Total funds £
	Notes	£	General £	Fixed assets fund £	
<b>Income from:</b>					
Donations and capital grants	1	2,516	43,485	190,125	236,126
Charitable activities					
· Funding for the Academy Trust's educational operations	4	103,972	11,510,544	—	11,614,516
Other trading activities	2	411,041	—	—	411,041
Investments	3	1,066	—	—	1,066
<b>Total income</b>		<u>518,595</u>	<u>11,554,029</u>	<u>190,125</u>	<u>12,262,749</u>
<b>Expenditure from</b>					
Charitable activities					
· Academy Trust's educational operations	5	—	11,931,685	823,795	12,755,480
<b>Total expenditure</b>		<u>—</u>	<u>11,931,685</u>	<u>823,795</u>	<u>12,755,480</u>
<b>Net income (expenditure) before transfers</b>		518,595	(377,656)	(633,670)	(492,731)
Transfers between funds	16	—	—	—	—
<b>Net income (expenditure) for year</b>		518,595	(377,656)	(633,670)	(492,731)
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension scheme	21	—	5,099,000	—	5,099,000
<b>Net movement in funds</b>		518,595	4,721,344	(633,670)	4,606,269
<b>Reconciliation of funds</b>					
Total fund balances brought forward at 1 September 2021		1,695,547	(4,776,831)	42,840,967	39,759,683
<b>Total fund balances carried forward at 31 August 2022</b>		<u>2,214,142</u>	<u>(55,487)</u>	<u>42,207,297</u>	<u>44,365,952</u>

## Notes to the financial statements Year to 31 August 2023

### 8 Staff

#### (a) Staff costs

Staff costs during the year were:

	2023 Total funds £	2022 Total funds £
Wages and salaries	6,657,045	6,783,583
Social security costs	644,719	643,800
Pension costs	1,444,347	1,895,392
	8,746,111	9,322,775
Supply staff costs	402,563	135,600
Staff restructuring costs	19,160	—
	9,167,834	9,458,375

#### (b) Staff numbers

The average number of persons (including the senior management team) employed by the charitable company during the year ended 31 August 2023 was as follows:

Charitable activities	2023 No.	2022 No.
Teachers	99	113
Administration and support	79	99
Management	21	21
	199	233

#### (c) Higher paid staff

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

	2023 No.	2022 No.
£60,001 - £70,000	7	3
£70,001 - £80,000	4	3
£80,001 - £90,000	1	1
£100,001 - £110,000	—	1
£110,001 - £120,000	1	—
£120,001 - £130,000	—	1
£130,001 - £140,000	1	—

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2023 pension contributions for these staff members amounted to £195,162 (2022 – £173,350).

**8 Staff (continued)**

**(d) Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer national insurance and employer pension contributions) received by key management personnel for their services to the Academy Trust was £511,227 (2022 – £612,456).

**9 Trustees' remuneration and expenses**

The CEO and Head Teachers only receive remuneration in respect of services they provide undertaking their role as employees of the Academy Trust and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

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Mr D A Allman - Chief Executive Officer

. Remuneration £130,001 - £135,000 (2022 – £125,001 - £130,000)

. Employer's pension contributions £30,001 - £35,000 (2022 – £30,001 - £35,000)

Mrs R E Semark – Head teacher

. Remuneration £85,001 - £90,000 (2022 – £85,001 - £90,000)

. Employer's pension contributions £20,001 - £25,000 (2022 – £20,001 - £25,000)

Ms J E M Carson – Head teacher

. Remuneration £55,001 - £60,000 (2021 – £60,001 - £70,000)

. Employer's pension contributions £10,001 - £15,000 (2022 – £10,001 - £15,000)

Sara Hill, Staff Trustee

. Remuneration £55,001 - £60,000

. Employer's pension contributions £6,001 - £10,000

Hannah Ellis, Staff Trustee

. Remuneration £20,001 - £25,000

. Employer's pension contributions £5,001 - £10,000

Lynne Bennett, Staff Trustee

. Remuneration £15,001 - £20,000

. Employer's pension contributions £501 - £1,000

Rebecca Bannocks, Staff Trustee

. Remuneration £30,001 - £35,000

. Employer's pension contributions £5,001 - £10,000

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During the year ended 31 August 2023, £1,078 of travel and subsistence expenses were reimbursed to the trustees (2022 – £500).

Other related party transactions involving the Trustees are set out in note 22.

**10 Trustees' and Officers' insurance**

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. From March 2015, the Academy Trust was part of the Academies Risk Protection Arrangement (RPA). The cost of this insurance is included within the total insurance cost and cannot be separately identified.

## Notes to the financial statements Year to 31 August 2023

### 11 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Assets under construction £	Furniture and equipment £	Total £
<b>Cost/valuation</b>					
At 1 September 2022	39,640,696	9,569,825	110,076	429,656	<b>49,750,253</b>
Additions	—	—	1,491,621	—	<b>1,491,621</b>
Transfers	1,601,697	—	(1,601,697)	—	<b>—</b>
At 31 August 2023	<u>41,242,393</u>	<u>6,569,825</u>	<u>—</u>	<u>429,656</u>	<b><u>51,241,874</u></b>
<b>Depreciation</b>					
At 1 September 2022	6,540,598	758,521	—	323,886	<b>7,623,005</b>
Charge in year	643,305	127,486	—	13,309	<b>784,100</b>
At 31 August 2023	<u>7,183,903</u>	<u>886,007</u>	<u>—</u>	<u>337,195</u>	<b><u>8,407,105</u></b>
<b>Net book value</b>					
At 31 August 2023	<u>34,058,490</u>	<u>8,683,818</u>	<u>—</u>	<u>92,461</u>	<b><u>42,834,769</u></b>
At 31 August 2022	<u>33,100,098</u>	<u>8,811,304</u>	<u>110,076</u>	<u>105,770</u>	<b><u>42,127,248</u></b>

### 12 Investments

The Academy Trust holds one ordinary £25 share in Herts For Learning Limited, a United Kingdom private limited company registered in England and Wales under company number 08419581. The company is owned by Hertfordshire Schools and Hertfordshire County Council with any one school only permitted to hold one share as a minority interest. Being a shareholder gives the Academy Trust access to discounts on the purchase of training courses and a range of other educational support services.

The Trustees have estimated that the market value of the Academy Trust's investment at the balance sheet date is its original cost.

### 13 Stock

	2023 £	2022 £
Stock of miscellaneous goods	<u>21,698</u>	<u>21,792</u>

### 14 Debtors

	2023 £	2022 £
Trade debtors	25,731	28,996
VAT recoverable	163,082	131,830
Other debtors	226,316	110,696
Prepayments and accrued income	402,271	113,654
	<u>817,400</u>	<u>385,176</u>

**Notes to the financial statements Year to 31 August 2023**

**15 Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>183,932</b>	284,328
Taxation and social security	<b>158,234</b>	172,474
Other creditors	<b>385,192</b>	411,195
Accruals and deferred income (see below)	<b>249,667</b>	153,107
	<b>977,025</b>	1,021,104
<b>Deferred income (included above)</b>		
Deferred income at 1 September 2022	<b>77,488</b>	52,009
Released during the year	<b>(77,488)</b>	(52,009)
Resources deferred in the year	<b>124,348</b>	77,488
Deferred income at 31 August 2023	<b>124,348</b>	77,488

At the balance sheet date, the Academy Trust was holding funds received in advance for school trips and rates and insurance income.

## Notes to the financial statements Year to 31 August 2023

### 16 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
. General Annual Grant (GAG)	556,319	10,557,339	(10,024,055)	(481,784)	<b>607,819</b>
. Pupil Premium	—	354,940	(354,940)	—	—
. UIFSM	—	96,960	(96,960)	—	—
. Local authority grants	—	271,039	(271,039)	—	—
. Other restricted funds	—	138,932	(138,932)	—	—
. Other grants	—	667,310	(667,310)	—	—
. Capital grants	34,194	129,188	(85,313)	—	<b>78,069</b>
. Pension reserve	(646,000)	—	(92,000)	402,000	<b>(336,000)</b>
	<u>(55,487)</u>	<u>12,215,708</u>	<u>(11,730,549)</u>	<u>(79,784)</u>	<u><b>349,888</b></u>
<b>Restricted fixed assets funds</b>					
. Transfer on conversion	36,038,546	—	(462,144)	—	<b>35,576,402</b>
. DfE/ESFA capital grants	5,998,113	929,788	(222,105)	—	<b>6,705,796</b>
. Capital expenditure from GAG	154,515	—	(90,626)	481,784	<b>545,673</b>
. Other donations	16,123	—	(9,225)	—	<b>6,898</b>
	<u>42,207,297</u>	<u>929,788</u>	<u>(784,100)</u>	<u>481,784</u>	<u><b>42,834,769</b></u>
<b>Total restricted funds</b>	<u>42,151,810</u>	<u>13,145,496</u>	<u>(12,514,649)</u>	<u>402,000</u>	<u><b>43,184,657</b></u>
<b>Unrestricted funds</b>					
. General funds	2,214,142	488,097	—	—	<b>2,702,239</b>
<b>Total unrestricted funds</b>	<u>2,214,142</u>	<u>488,097</u>	<u>—</u>	<u>—</u>	<u><b>2,702,239</b></u>
<b>Total funds</b>	<u>44,365,952</u>	<u>13,633,593</u>	<u>(12,514,649)</u>	<u>402,000</u>	<u><b>45,886,896</b></u>

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

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy Trust that has been provided to the Academy Trust via the Education and Skills Funding Agency by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the Academy Trust. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the GAG that it could carry forward at 31 August 2023.

The pension reserve has been created to separately identify the pension deficit inherited from the local authority upon conversion to Academy status, and through which all the Local Government Pension Scheme movements are recognised.

The Capital Grants Fund has been created to recognise the restricted grant funding received from all sources towards capital expenditure projects undertaken throughout the Academy Trust. Transfers are made to the Capital Grants Fixed Asset Fund for expenditure incurred that is in respect of tangible fixed assets.

Transfers from unrestricted funds to restricted funds represent the funding of the current year deficit on educational activities and the funding of capital expenditure from the Academy Trust's General Fund.



## Notes to the financial statements Year to 31 August 2023

### 16 Funds (continued)

#### Total funds analysis by Academy

Fund balances at 31 August 2023 were allocated as follows:

	Total 2023 £	Total 2022 £
The John Warner School	1,573,883	1,248,464
The Cranbourne Primary School	661,755	364,495
Roselands Primary School	389,210	118,417
Trust	1,073,279	1,073,279
<b>Total before fixed assets and pension reserve</b>	<b>3,698,127</b>	<b>2,804,655</b>
Restricted fixed asset fund	42,834,769	42,207,297
Pension reserve	(336,000)	(646,000)
<b>Total</b>	<b>46,196,896</b>	<b>44,365,952</b>

#### Total cost analysis by Academy

Expenditure incurred by each school during the year (excluding depreciation, losses on asset sales and actuarial pension adjustments) was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total 2023 £	Total 2022 £
The John Warner School	5,183,697	812,379	454,392	1,090,082	7,540,550	7,448,061
The Cranbourne Primary School	1,403,204	168,071	74,461	416,772	2,062,508	1,985,353
Roselands Primary School	1,008,854	126,480	73,354	300,565	1,509,253	1,477,908
Central services	183,533	281,616	—	153,089	618,238	441,359
<b>Academy Trust</b>	<b>7,779,288</b>	<b>1,388,546</b>	<b>602,207</b>	<b>1,960,508</b>	<b>11,730,549</b>	<b>11,352,681</b>

#### Central services

Central services include leadership, commercial direction, high-level finance, HR, and operational support. The central services function is performed by the John Warner School and is funded by a contribution from the other Academy Schools equivalent to 4.35% of agreed elements of their central government funding income (2022 – 4.24%). The actual contributions charged during the year were as follows:

	2023 £	2022 £
The Cranbourne Primary School	76,373	76,344
Roselands Primary School	57,406	53,505
The John Warner School	324,043	311,510
	<b>463,463,438</b>	<b>441,441,359</b>

Notes to the financial statements Year to 31 August 2023

16 Funds (continued)

Comparative information

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	360,211	10,382,121	(10,186,013)	—	556,319
Pupil Premium	—	339,490	(339,490)	—	—
UIFSM	—	87,980	(87,980)	—	—
Local authority grants	—	203,182	(203,182)	—	—
Other restricted funds	—	36,778	(36,778)	—	—
Other grants	—	460,993	(460,993)	—	—
Capital grants	28,958	43,485	(38,249)	—	34,194
Pension reserve	(5,166,000)	—	(579,000)	5,099,000	(646,000)
	<u>(4,776,831)</u>	<u>11,554,029</u>	<u>(11,931,685)</u>	<u>5,099,000</u>	<u>(55,487)</u>
<b>Restricted fixed assets funds</b>					
Transfer on conversion	37,474,726	—	(1,436,180)	—	36,038,546
DfE/ESFA capital grants	4,903,072	190,125	904,916	—	5,998,113
Capital expenditure from GAG	444,372	—	(289,857)	—	154,515
Other donations	18,797	—	(2,674)	—	16,123
	<u>42,840,967</u>	<u>190,125</u>	<u>(823,795)</u>	<u>—</u>	<u>42,207,297</u>
<b>Total restricted funds</b>	<u>38,064,136</u>	<u>11,744,154</u>	<u>(12,755,480)</u>	<u>5,099,000</u>	<u>42,151,810</u>
<b>Unrestricted funds</b>					
General funds	1,695,547	518,595	—	—	2,214,142
<b>Total unrestricted funds</b>	<u>1,695,547</u>	<u>518,595</u>	<u>—</u>	<u>—</u>	<u>2,214,142</u>
<b>Total funds</b>	<u>39,759,683</u>	<u>12,262,749</u>	<u>(12,755,480)</u>	<u>5,099,000</u>	<u>44,365,952</u>

## Notes to the financial statements Year to 31 August 2023

### 17 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset fund £	Total 2023 £
<b>Fund balances at 31 August 2023 are represented by:</b>				
Fixed assets	—	—	42,834,769	<b>42,834,769</b>
Current assets	2,702,239	1,662,888	—	<b>4,365,127</b>
Current liabilities	—	(977,025)	—	<b>(977,025)</b>
Pension scheme liability	—	(336,000)	—	<b>(336,000)</b>
<b>Total net assets</b>	<b>2,702,239</b>	<b>349,863</b>	<b>42,834,769</b>	<b>45,886,871</b>

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset fund £	Total 2022 £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Investments	—	25	—	—
Fixed assets	—	—	42,127,248	<b>42,127,248</b>
Current assets	2,214,142	1,611,592	80,049	<b>3,905,783</b>
Current liabilities	—	(1,021,104)	—	<b>(1,021,104)</b>
Pension scheme liability	—	(646,000)	—	<b>(646,000)</b>
<b>Total net assets</b>	<b>2,214,142</b>	<b>(55,487)</b>	<b>42,207,297</b>	<b>44,365,952</b>

### 18 Capital commitments

At 31 August 2023, the Academy Trust had capital commitments of £Nil (2022 – £1,508,957).

### 19 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 as follows:

	2023 £	2022 £
Amounts due within one year	<b>60,871</b>	39,591
Amounts due between two and five years inclusive	<b>76,111</b>	96,615
	<b>136,982</b>	136,206

### 20 Members' liability

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

## 21 Pension and similar obligations

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

The LGPS obligation includes employees transferred as part of the conversion of Roseland and Cranbourne Primary Schools from maintained school status and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor schools and the Academy Trust at the balance sheet date.

Prior to 31 August 2023, the latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022. A further valuation of the TPS scheme, relating to the period ended 31 March 2020 was published in October 2023.

Contributions amounting to ££354,553 were payable to the schemes at 31 August 2023 (2022 – £163,066) and are included within creditors.

### ***Teachers' Pension Scheme***

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the Academy Trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The Academy Trust has set out above the information available on the plan and the implications for the Academy Trust in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

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

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

## 21 Pension and similar obligations (continued)

### ***Valuation of the Teachers' Pension Scheme***

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The actuarial valuation of the TPS which applied during the year ended 31 August 2023 was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The valuation result is due to be implemented from 1 April 2024. From this date, employer contribution rates will increase to 28.68% (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £1,381,347 (2022 – £1,120,392).

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

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

### ***Local Government Pension Scheme (LGPS)***

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £224,000 (2022 – £363,000), of which employer's contributions totalled £312,000 (2022 – £286,000) and employees' contributions totalled £87,000 (2022 – £77,000). The agreed contribution rates for future years are 25.3% for employers and up to 12.5% for employees.

## 21 Pension and similar obligations (continued)

### **Local Government Pension Scheme (LGPS) (continued)**

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.

Principal Actuarial Assumptions	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	3.5%	3.5%
Rate of increase for pensions in payment / inflation	3.0%	3.1%
Discount rate for scheme liabilities	5.2%	4.3%
Inflation assumption (CPI)	3.0%	3.1%

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	19.7	21.9
Females	24.8	24.4
<i>Retiring in 20 years</i>		
Males	22.6	22.9
Females	25.9	26.0

### **Sensitivity analysis**

The below analysis shows the increase to the defined benefit obligation for the following changes in assumption:

	At 31 August 2023 £'000	At 31 August 2022 £'000
Discount rate -0.1%	132132	160
Salary increase rate +0.1%	16	26
Pension increase rate +0.1%	119	136

## 21 Pension and similar obligations (continued)

### **Local Government Pension Scheme (LGPS) (continued)**

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

	<b>Fair value at 31 August 2023 £'000</b>	<b>Fair value at 31 August 2022 £'000</b>
Equities	3,165	2,894
Bonds	1,488	1,331
Property	869	868
Cash	683	694
<b>Total market value of assets</b>	<b>6,205</b>	<b>5,787</b>
<b>Present value of scheme liabilities</b>		
Funded	(6,541)	(6,433)
<b>Share of scheme deficit</b>	<b>(336)</b>	<b>(646)</b>

The actual return on scheme assets was 16.6%.

<b>Amounts recognised in statement of financial activities</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Current service cost	375	775
Interest income	(252)	(99)
Interest cost	281	189
<b>Total amount recognised in the SOFA</b>	<b>404</b>	<b>865</b>
<b>Analysis of pension finance costs</b>		
Expected return on pension scheme assets	252	99
Interest on pension liabilities	(281)	(189)
<b>Pension finance costs</b>	<b>(29)</b>	<b>(90)</b>

<b>Changes in the present value of defined benefit obligations were as follows:</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
At 1 September 2022	(6,433)	(11,056)
Current service cost	(375)	(775)
Interest cost	(281)	(189)
Employee contributions	(87)	(77)
Actuarial gain	547	5,582
Benefits paid	88	82
<b>At 31 August 2023</b>	<b>(6,541)</b>	<b>(6,433)</b>

## 21 Pension and similar obligations (continued)

### *Local Government Pension Scheme (LGPS) (continued)*

Changes in the fair value of the Academy Trust's share of scheme assets:	2023 £'000	2022 £'000
At 1 September 2022	5,787	5,890
Actuarial gain	(145)	(483)
Expected return on assets	252	99
Employer contributions	312	286
Employee contributions	87	77
Benefits paid	(88)	(82)
<b>At 31 August 2023</b>	<b>6,205</b>	<b>5,787</b>

## 22 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee may have an interest. All transactions involving such organisations would, of course, be conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

The following related party transactions took place in the financial year:

- i) Mrs J E M Carson, Trustee, had a child employed by the Academy Trust during the financial year, as a teacher. The original appointment to this role was made in open competition and the Trustee was not involved in the decision making process regarding appointment and has no role in setting pay scales for their child.
- ii) Mrs J Allman, spouse of Mr D A Allman, a member of the senior management team, is employed by the Academy Trust as a teacher. Mrs Allman is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship with the senior management team.

## 23 Agency arrangements

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. In the year, it received £5,084 (2022 – £6,554) of funding and disbursed £3,075 (2022 – £5,539), with the unspent balance at 31 August 2023 included in other creditors. The Academy Trust administers a grant on behalf of the Worshipful Company of Founders. As at 31 August 2023 the balance held was £2,759

## 24 Post balance sheet events

The Academy Trust will transfer all of its the assets, liabilities and undertakings to the Danes Educational Trust, another multi academy trust, on 31 December 2023.