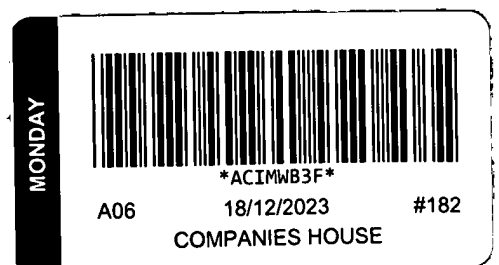


HISP Multi Academy Trust Limited
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2023

Company Registration Number:
07562918 (England and Wales)



HISP Multi Academy Trust Limited

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HISP Multi Academy Trust Limited

Reference and Administrative Details

Members

S Allen (resigned 6 October 2023)
R Boden (resigned 3 November 2023)
V Radford
T Ricketts
P Sampson (appointed 16 January 2023)

Trustees

B Clark
M Collings
J Hastings (appointed 19 January 2023, resigned 25 August 2023)
A Hunter (resigned 31 July 2023)
A Langran
A Parr (resigned 6 October 2023)
P Sampson (resigned 16 January 2023)
N Shale (appointed 4 September 2023)
M Siswick (resigned 25 August 2023)
S Whelan (resigned 31 August 2023)
K Woods-Townsend

Company Secretary

P Goodwin (resigned 7 November 2023)
S Stuart (appointed 7 November 2023)

Senior Management Team

S Whelan	Chief Executive Officer (to 31 August 2023)
D Pike	Interim Chief Executive Officer (from 4 September 2023)
F Knight	Interim Chief People Officer
M Parr-Burman	Director of Schools
A Parry	Deputy Chief Executive Officer
P Goodwin	Chief Financial Officer (to 7 November 2023)
S Stuart	Interim Chief Financial Officer (from 7 November 2023)

HISP Multi Academy Trust Limited

Reference and Administrative Details

Company Name

HISP Multi Academy Trust Limited

Principal and Registered Office

HISP Multi Academy Trust
Winchester Road
Chandlers Ford
Eastleigh
Hampshire
SO53 2DW

Company Registration Number

07562918 (England and Wales)

Independent Auditor

Hopper Williams & Bell Limited
Statutory Auditor
Highland House
Mayflower Close
Chandlers Ford
Eastleigh
Hampshire
SO53 4AR

Bankers

Lloyds Bank Plc
PO Box 1000
BX1 1LT

Solicitors

Paris Smith LLP
1 London Road
Southampton
Hampshire
SO15 2AE

HISP Multi Academy Trust Limited

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The HISP Multi Academy Trust was formed in January 2020. There are currently five schools in the Trust: Thornden, Highcliffe and Crofton Schools, and Portswood and Tanners Brook Primary Schools. Three further schools plan to join the Trust in 2023/24, and we are in discussions with a number of other schools also interested in joining.

HISP Multi Academy Trust believes in building excellent educational environments that inspire and unlock potential in all our school communities. The Trust has a clear vision for careful growth, ensuring that we remain focused on sustainable school improvement. The main ethos behind the Trust is one of sustainable school improvement; and schools joining the Trust do so with the prime aim of improving themselves and each other. This is achieved through the development and embedding of a professional continuum; attracting high quality trainees to our School Centred Initial Teacher Training; nurturing talent; providing high quality CPD through our Teaching School Hubs, Maths Hub, Science Learning Partnership and Research Hub; and ensuring that we grow our own inspirational school leaders. This is achieved through the following values:

- Aspirational: Striving to provide a first-class education, with the best opportunities for all our children and staff.
- Self-improving: Driving continuous improvement in outcomes, safeguarding children, improving our communities by harnessing innovation.
- Inquisitive: Creating inquisitive learners by remaining curious ourselves. We will learn from each other and the wider environment.
- Supportive: A secure setting, developing the whole child. Supporting staff development to be the best they can be and caring for families whilst creating opportunities.
- Connected: Being at the heart of our communities, raising aspirations for all. Working collaboratively across the Trust and beyond.

Our mission is to empower learners to achieve and succeed by putting them at the heart of everything we do.

We will deliver high quality provision and opportunities in safe and appropriate environments across all our schools.

- Within five years of joining the Trust, our aspiration is that pupils and students will be in the top 5% nationally for progress as a result of excellent teaching, curriculum, and broader activities.
- We will engage with the most effective organisations to ensure our learners have genuine opportunity to grow.
- We will grow and evolve as an organisation to ensure that our mission and values can positively impact more children, staff, schools, and communities.
- Our schools and organisation will be financially sustainable.
- We will employ excellent staff, offer high quality support and training, developing them to be experts in their field.

HISP Multi Academy Trust Limited

Trustees' Report

Key to the Trust are our five core values:

Aspirational

- Our Trust's children, staff, families, and local communities will aim high and dream big. We will have the highest of aspirations for all and strive to provide first class education with the best opportunities for the children and staff in our schools.
- We will ensure high quality teaching and learning.
- Our schools will strive to be in the top 5% for progress of schools in the country within 5 years of joining the Trust. This will enable the children and young people leaving our schools to have outstanding opportunities as they move forward.

Self-Improving

- Our Trust will drive continuous improvement; in outcomes, in safeguarding our children and communities and in building a love for learning.
- We will demonstrate a relentlessness to continually improve, to never standing still, with the aim of providing the best opportunities and experiences for all our children.
- Our schools will ensure that every child fulfils their potential regardless of potential barriers to learning.
- Our Trust is committed to becoming outstanding, with self-improving schools supporting the professional development of all staff.
- We will enable all children to be confident, building on strengths and improving areas of need.

Inquisitive

- We will create inquisitive learners by remaining curious ourselves, learning from each other and the environment we create.
- We will encourage teachers and children to be inquisitive and innovative when they face challenges.

Supportive

- We will create secure settings within our school environment, developing the whole child. Evidence-based research will be at the heart of sustainable school improvement.
- We will develop collaborative partnerships across the Trust, providing support and challenge. We will learn from each other and provide a first-class education to all our children, teachers and other people who work alongside us.
- We will support the development of all staff to be the best they can be and realise their career potential.
- We will be champions for wellbeing within our schools, challenging performance and developing cultural capital.

HISP Multi Academy Trust Limited

Trustees' Report

Connected

- We will ensure that schools feel connected to the Trust whilst maintaining their unique qualities, character, and relationship with their community.
- Our schools will be at the heart of their communities. Through engagement, our schools will raise aspirations for all.

Our focus is to support schools to be strong within their communities as well as playing a part in their community. Being part of this MAT will ensure that schools have wider access to colleagues and partnerships, designed to support and challenge schools, ensuring young people thrive and are ready for each phase of their education.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of HISP Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as HISP Multi Academy Trust and has five schools within the Trust. Details of the Trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Trustees' third-party indemnity is covered through the Department for Education's Risk Protection Arrangement (RPA) an alternative to insurance for Academy Trusts. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring and provides cover up to £10,000,000 per year.

HISP Multi Academy Trust Limited

Trustees' Report

Method of Recruitment and Appointment or Election of Trustees

The Board of Trustees has been formed in accordance with the Articles of Association. The number of Trustees shall be not less than three but shall not be subject to any maximum. Subject to Articles 48-49 and 53 the Trust has up to nine Trustees appointed by Members, a minimum of two shall be parents in the event that the local governing bodies are not established or if no provision is made for at least two parent local governors on each established local governing body. Su Whelan Chief Executive Officer chose to act as a Trustee. Prior to becoming a multi academy Trust a governance review was conducted, and the incumbent board of governors separated into Members, Trustees, or local governing body members in line with governance best practice and aligned with the Academies Trust Handbook. During the year, the Trust Board has worked with stakeholders to recruit new Trustees to the Board with necessary skills and experience.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust Board has an agreed Trustee Induction Policy which ensures Trustees have relevant information and training to understand their role. The Trust purchases subscriptions for National Governance Association, The Key for Governors, and Governors Hub which aid them to keep up to date with relevant legislation and issues. All Trustees subscribe to an agreed code of conduct.

Organisational Structure

The Trust Board has established a number of sub committees to support it in the delivery of its functions. The key committees of the Trust Board are:

- Audit and Risk Committee
- Finance and Resources Committee
- Education and Standards Committee
- HR and Remuneration Committee

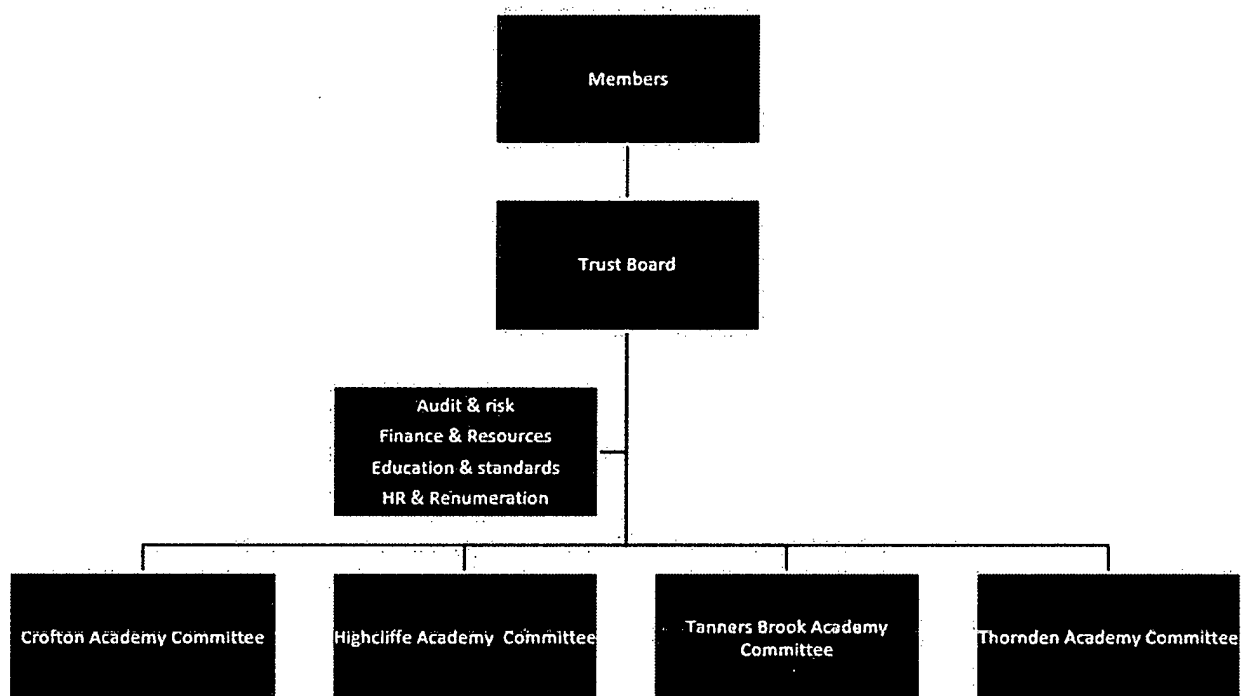
In addition, each school (other than Portswood Primary School) has its own Local Academy Committee with a focus on ensuring that there is Governance challenge at an individual school level.

HISP Multi Academy Trust Limited

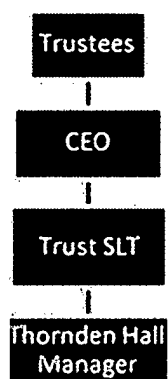
Trustees' Report

Organisational Structure (continued)

The Governance arrangements are shown diagrammatically below:



The Governance arrangements for TSSL (a wholly owned subsidiary company running the performing arts centre along with hire of sporting facilities at Thornden School) are set out below:



HISP Multi Academy Trust Limited

Trustees' Report

Arrangements for setting pay and remuneration of key management personnel

An external review of executive pay has been undertaken and the Trustees have agreed to move to the proposed reward model for setting and reviewing executive pay.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
5	4.5

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1%-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	£8,740
Total pay bill	£21.5m
Percentage of the total pay bill spent on facility time	0.04%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	1.16%
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Related Parties and other Connected Charities and Organisations

HISP Multi Academy Trust is also the sole shareholder of a trading Company: Thornden School Services Limited (incorporated in England and Wales Reg. No. 07781857).

Within HISP Multi Academy Trust there are two Teaching School Hubs. The Teaching School Hubs form a national network of 87 centres of excellence for teacher and leadership training and development

The Teaching School Hubs worked with schools across the South of England, but had no involvement with the operating policies, leadership, or governance within these partner schools.

The Trust is the lead school for the NCTEM approved Maths Hub and separately a Science Hub. These activities, alongside our Research School, which is based at Thornden School, allow the Trust to support our own schools as well as schools, MATs, and other organisations beyond our Trust.

HISP Multi Academy Trust Limited

Trustees' Report

Engagement with employees (including disabled persons)

Consultation with employees takes place formally through the use of surveys, using a format which is repeated to allow for comparisons within and across years. Specific surveys are also used with some or all staff to gather feedback on particular questions. When meetings take place in person, opportunities exist across the organisation to engage with colleagues and seek their feedback.

Engagement with suppliers, customers, and others in a business relationship with the trust

Trustees are committed to effective engagement of all stakeholders, including pupils, parents, staff, the local community, and suppliers (amongst others).

Trustees are committed to ensuring that all pupils have the opportunity to fulfil their potential, as set out in the Trust's vision and objectives. The impact on pupils, parents, and the local community is at the heart of all decisions made by Trustees. The Trustees receive regular reporting on pupil outcomes and performance.

Trustees acknowledge the importance of maintaining positive relationships with the Trust's suppliers. Regular meetings are held with key suppliers.

Objectives and Activities

Objects and Aims

HISP Multi Academy Trust's objects are restricted to the following:

- 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 schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students/pupils ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies")
- To promote for the benefit of individuals living in Hampshire, the Isle of Wight, Southampton and Portsmouth or any county or unitary authority in which an Academy is located who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals

HISP Multi Academy Trust Limited

Trustees' Report

Objects and Aims (continued)

Current Context – as of 31 August 2023

Schools

We currently have five schools within our Trust covering the age ranges from nursery to 18 with plans to expand and grow quickly across our geographical location.

Current schools (Ofsted grading as of 31 August 2023):

School	Date of Conversion	Last Ofsted inspection	Ofsted Grading
Portswood Primary School	1 September 2012	17 February 2022	Good
Tanners Brook Primary School	1 September 2015	12 September 2018	Good
Thornden Secondary School	1 May 2011	22 June 2022	Good
Highcliffe School	1 November 2022	28 June 2023	Good
Crofton School	5 April 2023	22 February 2018	Good

Onboarding schools (Ofsted grading as of 31 August 2023)

The RSC and the Advisory Board have approved these schools to join HISP and are in the process of being onboarded.

School	Last Ofsted inspection	Ofsted Grading
Test Valley School	20 October 2022	Special Measures
Carisbrooke College	24 May 2023	Requires Improvement
Medina College	22 January 2020	Requires Improvement
The Island VI Form	22 January 2020	Requires Improvement (falls under Medina College)

Partnership Schools (Ofsted grading as of 31 August 2023)

These schools have strong links to HISP and work in close partnership in a variety of ways.

School	Last Ofsted inspection	Ofsted Grading
Bransgore Church of England Primary School	16 March 2022	Good

HISP Multi Academy Trust Limited

Trustees' Report

Objects and Aims (continued)

Vision for Schools

As a Trust, we have established a vision for how we hope our schools will operate. This vision aims to provide a blueprint to inform the development of services provided to schools, the orientation of this support and the capacity required to achieve this vision.

- An understanding that everyone creates and belongs to the HISP Multi Academy Trust/Partnership.
- A positive advocate and proud member of the HISP Multi Academy Trust/Partnership. A tangible feeling of the culture of HISP, whilst developing an individual identity.
- All staff as a team reflect and role model the individual identity of the school, as well as the culture and mission of HISP Multi Academy Trust/Partnership.
- A learning organisation, where workforce planning and succession planning are pivotal, and everyone has a responsibility for professional development and to grow talent for the whole organisation.
- A wide curriculum, which provides all children with a range of experiences, opportunities to discover their talents and flourish and prepare for an evolving world.
- Standards are high, delivering outcomes that are at least in line with national to give all children the best opportunities in life.
- Aspirational and safe environments for all to be proud which are welcoming, professional and support the learning of all children.
- Where it will benefit the community, schools provide high quality nursery provision, with a clear understanding of early needs and interventions to support.
- Schools provide before, after and holiday provision that extends learning opportunities for all children.
- A model of distributed leadership is in place with clear roles and lines of accountability. The school embraces a culture of well-informed innovation over time.
- All staff understand the community they serve and the role they play within it.
- Schools are financially sustainable.
- Well-resourced schools with the capacity to sustain and develop. A popular school with a strong reputation in the local community.
- A genuine representation of parents/community to act as the voice/champions.
- Parents are enabled to be partners in their child's education through the sharing of information and are empowered to support their child's learning.
- All children and staff feel safe and there is a culture of trust. A commitment to the wellbeing of staff and children.
- Ensuring the needs of all children are met with integrity, including access to specialist support where appropriate.
- All children and staff display the HISP values.
- Children leave a legacy through positive contributions to their community and wider society. Leaders that consistently exhibit courage and clarity.

HISP Multi Academy Trust Limited

Trustees' Report

Objects and Aims (continued)

Expectations of Growth – Plans for future periods

The anticipated growth of HISP Multi Academy Trust is estimated to be between two and four schools each academic year. This will lead to anticipated growth to approximately 10 schools by September 2024. These schools will include sponsored academies, converter academies and free schools, anticipating one additional sponsored school per year. It is anticipated that a high proportion of this growth will be in line with our geographic areas of Hampshire, Isle of Wight, Southampton, and Portsmouth. We do expect a small proportion of growth to come from the Bournemouth, Christchurch, and Poole area to join up with our BCP/Hampshire family of schools which has already been established. The following model has provided an estimate on current growth and the types of schools that will join the MAT to enable this growth. The model also provides an estimate on how our current schools will move through the improvement phases. This is essential to ensuring that growth is in line with capacity, maintaining our vision of two phase 2 and 1 schools, to every one school within phase 4.

	2021/22 Actual	2022/ 23 Actual	2023/24 Forecast	2024/25 Forecast
Schools by the end of the academic year	3	5	8	10
Ofsted Outstanding schools	-	-	-	1
Ofsted Good schools	3	5	5	7
Ofsted RI schools	-	-	2	-
Inadequate schools	-	-	1	-
Ungraded schools (no current Ofsted)	-	-	-	3

This anticipated growth may not be realised and may be accelerated, with flexibility within the strategic development plan and financial model considered. Staffing development should be driven by growth, as opposed to timelines. We will therefore model staffing based on three phases of growth, with new staffing introduced at the start of each of these phases.

- 2022/23 3 - 8 schools
- 2023/24 8 - 12 schools
- 2024/25 10- 14 schools

Increased growth may be achieved through securing TCAF funding through the RD, which will enable an accelerated growth through these phases.

Sponsored academies form an integral part of the Trust's strategic growth. In line with the Trust's vision to make every day count for every child, it is essential that HISP utilises our experience and expertise to meet the needs of the most vulnerable schools. Sponsored academies are supported via DfE funding. This funding has been included within financial projections and is essential to ensure that the capacity of the Trust is developed to meet the needs of these new schools. Where an increase of sponsored academies within each phase of growth is approved, TCAF funding would be needed to support this.

HISP Multi Academy Trust Limited

Trustees' Report

Objects and Aims (continued)

HISP Hub Model

Based on anticipated growth and the geographical changes to the orientation of our partnership, there is a need to review the model that enables our Trust to function effectively as a team. As part of phase 1 of our strategic development, we will be moving to a grouping of schools, which over time we hope to inform our governance, meeting structure, CPD structure and the services we provide to schools. We will therefore evolve to a geographical hub model, with schools operating within five families (hubs) of schools, consisting of 5-10 schools within each hub.

Based on five geographical hubs, the Trust's growth is capped at 50 schools. If growth beyond 50 schools is approved, the Trust will move to six geographical hubs and add an additional hub in the north Hampshire region.

This move to geographical hubs will influence the following practices of the Trust.

Strategic Head teachers

As part of a move to geographical hubs, Strategic Head teachers' group meeting will be orientated in two different formats. SHG will meet as full group, including all schools within the partnership a minimum of once per term and as a geographical hub a minimum of once per term. The relevant Education Leader will lead geographical hub meetings.

Staffing

Staffing will be modelled based on geographical hubs, with teams providing services to schools clearly aligned to a geographical hub. This will ensure that schools have clarity and consistency on their point of contact and service provider. This will also ensure increased distributed accountability for a geographical area. Further details provided within the staffing section.

Professional Learning

Over time we anticipate a move to some professional leadership orientated to the geographical hubs, physically taking place in a venue suitable for schools within the hub. This will include ITT delivered through the ITT, ECF and NPQs through the TSHs and other Trust provision.

HISP Multi Academy Trust Limited

Trustees' Report

Public Benefit

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

In this regard, the Trust works with the RD, through Trust and School Improvement Offer (TSIO) to provide support for schools and pupils, particularly those who are disadvantaged. Since 2019, Executive Leaders have supported 12 schools across the South East. Notable success has included 3 schools moving from RI to Good and 1 moving from triple RI to Outstanding. The Trust also holds the contract to support the RD in brokering TSIO support for London and the South East and the DCEO is the Regional NLE champion for the South East.

HISP also made two applications to become Teaching School Hubs and were awarded two of the 87 Hubs nationally, covering Portsmouth, Southampton, The Isle of Wight, The New Forest, Test Valley, and part of Hampshire. Teaching School hubs form a network of 87 centres of excellence for teacher training and leadership development focused in some of the best schools and multi academy trusts in the country. This programme replaces the previous network of about 750 teaching schools, which ended in August 2021.

In 2020 HISP successfully applied to run the Solent Maths Hub which started in September 2021. HISP also holds the Science Learning Partnership, Physics Coaching and STEM Ambassador accreditation from STEM Learning. Alongside this, we are a regional partner for the Computing Hub. These curriculum hubs allow us to support curriculum development across our geographical area.

In 2023, HISP gained accreditation to provide teacher training on a national level. HISP is the lead provider for a collaboration of 12 trusts, current ITT providers and schools that will provide teacher training from Liverpool to the IoW.

HISP Multi Academy Trust Limited

Trustees' Report

Strategic Report

Achievements and Performance

It has been an amazing year, with plenty of challenges but many successes. It seems so long ago now that back in September we welcomed new pupils, students, and staff into our three schools across the Trust.

In November 2022 we welcomed Highcliffe School to the Trust and in April 2023 Crofton joined.

During the year we implemented a new Payroll and HR system and continue to embed the opportunities that the system provides to streamline our processes.

We learnt during the year that our bids for Capital funding to re-clad a large section of Thornden School had been successful, ensuring that the temperature extremes of hot or cold classrooms during the seasons would become a thing of the past for our students.

We also bid and were successful in securing capital funding for a replacement roof and windows at Portwood Primary School, improving the teaching environment for the pupils at the school along with its energy efficiency.

At Tanners Brook Primary School we were delighted to learn that the school was included as one of the priority schools in the DfE's School Rebuilding Programme. We were similarly delighted that the classroom "huts" at Highcliffe School were also to be part of the school rebuilding programme.

We are fortunate to have so many talented and committed staff working across our organisation covering every department and team.

We will be planning for an Ofsted at Tanners Brook, potentially during 2023/24 and are very confident that we have the right team to lead us through this process whenever we get the Ofsted call.

During the year, we have been working on our plans to grow the Trust. We now have five schools in the Trust with a further three scheduled to join in 23/24 bringing the total to eight with ongoing active discussion with a number of other interested schools.

Through the year we have invested for the future across a number of areas including IT Infrastructure, Energy Efficiency, and safeguarding schemes.

HISP Multi Academy Trust Limited

Trustees' Report

Key Performance Indicators

Academic Performance Indicators

The use of target setting, performance management and benchmarking is informed by the use of data available to each school. Our schools use the same School Improvement model which is supported and challenged by School Improvement leaders using a regular calendar of visits. The School Improvement Plan (SIP) informs the individual targets set for all staff. Trustees receive regular milestones and updates.

School 2023	GCSE Basics 4+	GCSE Basics 5+	Overall P8 2023	A8 2023
Carisbrooke	43.22%	17.43%	NA	35.1
Crofton	71.00%	50%	NA	47.3
Highcliffe	73.30%	47.50%	NA	47.63
Medina	47.77%	22.93%	NA	35.3
Test Valley	55%	35%	NA	38.9
Thornden	88%	73%	NA	57.14

School 2022	GCSE Basics 4+	GCSE Basics 5+	Overall P8 2022	A8 2022
Carisbrooke	54%	25%	-0.73	38.7
Crofton	71%	49%	-0.12	48.8
Highcliffe	76%	49%	-0.06	51
Medina	59%	36%	-0.68	42.3
Test Valley	69%	43%	-0.41	45.9
Thornden	92%	80%	0.67	65.2

NB. Schools in yellow are not yet part of the Trust but will be onboarded this academic year.

Primary 2023	National*			Portswood			Tanners Brook		
	R	W	M	R	W	M	R	W	M
KS2 EXS+	73%	71%	73%	71%	81%	92%	64.00%	83%	76%
KS2 GDS	27%	20%	27%	36%	19%	42%	12%	0	20%
KS2 Combined	59%			68%			59%		
KS2 GP&S	72% (28% High score)			86% (53% High score)			61%		

Going Concern

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

HISP Multi Academy Trust Limited

Trustees' Report

Promoting the success of the company

Trustees undertake business in such a way that, in good faith, best promotes the success of the Trust in achieving its charitable purposes and in doing so, has regard (amongst other matters) to:

- The likely consequences of any decision in the long term
- The interests of the Trust's employees
- The need to foster the Trust's business relationships with suppliers, pupils, parents, and others
- The impact of the Trust's operations on the community and the environment.
- The desirability of the Trust in maintaining a reputation for high standards of business conduct
- The need to act fairly as between members of the Trust

The above are all embedded in decision making from the Trustees through the Trust.

Financial Review

The majority of HISP Multi Academy Trust income is sourced from the ESFA as part of the General Annual Grant (GAG). These funds are used to support the key aim of providing quality education for students/pupils and helping them realise their full potential. Individual School Improvement Plans are reviewed annually and GAG funding together with other grants and donations from the trading subsidiary is utilised to fund the objectives agreed.

This year we have also undertaken some significant grant funded projects to develop our teaching schools utilising our staff to support other schools' improvement and offer developmental opportunities.

We have also been awarded specific grant funding to support specific schools through the Trust and school Improvement Offer.

In May 23 we were notified that our bid for cladding works at Thornden School was successful along with a bid for a replacement roof and windows at Portswood Primary School. These works have now started with most of the costs falling into 2023/24. In line with accounting requirements, funding for both bids has been recognised in these accounts.

During the year we invested in Information Technology (IT), replacing end of life equipment.

We also continued to invest in improving our estate (buildings), alongside investment to improve the energy efficiency of our sites to address both the spiralling costs of gas and electricity and reduce our carbon footprint.

The Trustees continue to monitor the level of reserves in line with the reserves policy and in the context of the significant financial pressures in future years believe that this leaves schools and the Trust well placed to manage the impact.

HISP Multi Academy Trust Limited

Trustees' Report

Financial Review (continued)

The reserves as at 31 August 2023 were as follows:

- Unrestricted (free) reserves of £2,520,428 (2022: £1,343,249)
- A restricted fixed asset fund of £62,598,904 (2022: £18,757,267), which can only be realised through disposal of tangible fixed assets
- A pension deficit of £2,116,000 (2022: £660,000)
- Other restricted funds of £1,444,689 (2022: £1,555,169)
- Total funds of £64,448,021 (2022: £20,995,685)

Reserves Policy

The Trust has established a reserves policy built on four key principles:

- Reserves will have a specific purpose related to future spending or covering current and future risks.
- The size of the reserves will balance the benefit of current spending with the risks the reserves cover.
- They will be transparent and maintain the link with the purposes for which the income was given.
- They will be maintained at a level sufficient to ensure that unexpected events can be accommodated without causing in year current year issues.

Whilst the DfE require reserves to be limited to a level where its use in the future is known, there is an overriding need to ensure value for money.

The Trust's policy therefore seeks to secure the right balance between:

- Maximising "deployable" spend for the benefit of current and future pupils.
- A strategy where reserves are an element of the tool kit used to create the right financial framework to drive excellence in financial management.
- Financial sustainability for the Trust

The Trustees agree the balance between these three objectives as part of the annual budget setting process.

The Trust will hold reserves for the following purposes:

- To manage known risks which are not insurable or where insurance does not provide value for money.
- To smooth out spending, for example between years.
- Specific Capital Reserves established in order to fund capital expenditure and other investments that would not be affordable if financed from a single year's funding.
- Specific ring-fenced reserves maintained or received for conditional purposes but not yet spent to provide for unexpected and unpredictable needs.
- To enable variable cash demands across the Trust or specific parts of the Trust to be managed.

HISP Multi Academy Trust Limited

Trustees' Report

Reserves Policy (continued)

Reserves expenditure (deployable spend)

- Reserves will only be used in accordance with permitted conditions with “ring-fenced” reserves used ahead of more generalised reserves where permitted.
- “Urgent” health and safety capital spend, or safeguarding will be prioritised above other capital schemes.
- Reserves will only be used to support non-recurring, time limited or spend driven by educational need.

Reserves as an element of financial strategy

- The Financial Strategy of the Trust is designed to promote strong financial resilience and disciplines.
- Reserves and or capital monies may be used to create financial incentives for good financial management.
- Individual Academies are not permitted to exceed agreed budgets and individual/collective actions may be taken to protect the reserves position of the Trust.

Sustainability

- Reserves will be built (on affordability) and maintained at a level to ensure the ongoing financial security of the Trust.

Revenue reserves currently represent 11% (2022: 18%) of revenue funding.

Investment Policy

The primary objective is to maximise investment on any long term accrued balances in order to protect those balances against inflation.

The Trust also aims to invest any other surplus cash funds, as determined by the Chief Financial Officer on a short-term basis.

All investments will be made ensuring there is no tangible risk to the loss of those funds. Cash balances retained in the bank account will be held at levels to meet the day to day running costs of the Trust.

All funds will be invested ensuring that there is no risk to the loss of those funds. Capital funds will be invested to protect against inflation. Other short-term surplus balances may be invested into longer term fixed investments to maximise returns.

HISP Multi Academy Trust Limited

Trustees' Report

Principal Risks and Uncertainties

Key financial risks and other uncertainties continue to be:

- Employer responsibility for the Local Government Pension Scheme liabilities which has increased and will continue to do so over future years.
- The National Funding Formula and future changes which are difficult to accurately forecast. inflationary pressures, including but not limited to the cost of pay awards and the costs of gas and electricity beyond the current fixed term contracts agreed by the Trust.
- The emergence of RAAC concrete, asbestos, and compliance with ever changing regulation within the Trust estate.
- Supply chain delays and shortages in future years.

A full review of risks faced by the Trust has been undertaken. Risks are grouped into Strategic/Reputational, Financial, Compliance, and Operational and are reported to the Audit and Risk Committee.

Fundraising

As part of its work within the community, the Academy Trust undertakes fundraising activities, for example through fetes, cake sales, non-uniform days etc. These activities have been more limited than in previous years due to the legacy impact of pandemic restrictions, and our focus on minimising social interactions to keep our workforce and students safe and healthy.

The Academy Trust raises funds in order to support its own operations and also to make donations to local and national charities. The Academy Trust undertakes all such activities itself, with the help of its students and their families. We confirm that when fundraising:

- No unsolicited approaches are made to members of the public.
- No commercial participators are used.
- No regularity schemes or standards are applicable.
- No complaints were made to the Academy Trust during the year.

Thornden School Services Limited

Thornden School Services Limited operates as a separate legal entity as part of HISP Multi Academy Trust. The company is wholly owned by the Academy Trust and operated by the Directors of HISP.

Following the completion of major repairs and the easing of the Covid 19 restrictions Thornden Hall has begun rebuilding its business. Income for the period included income from lettings of sports facilities and some screenings of films and events in the Hall.

HISP Multi Academy Trust Limited

Trustees' Report

Streamlined Energy and Carbon Reporting

UK energy use and associated greenhouse gas emissions

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only as defined by the operational control boundary. This includes all five schools named Portswood, Tanners Brook, Thornden, Crofton and Highcliffe, the last two of which joined mid-way through the reporting period. Along with this there is also the mandatory inclusion of scope 3 business travel in employee-owned or hire vehicles (grey fleet).

Highcliffe School joined the Trust on 1 November 2022 and Crofton School joined on 1 April 2023. The energy data has been inputted from the date they joined the Trust.

Reporting period

The annual reporting period is 1st September to 31st August each year and the energy and carbon emissions are aligned to this period.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2023 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity and gas consumption were compiled from invoice records and data available from energy procurement contracts and the pro rata estimation technique was used where gaps were found. Fuel card records were used to calculate energy use and emissions associated with the Trust owned vehicles. Direct comparison was used to calculate grey fleet consumption. Generally, gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).

HISP Multi Academy Trust Limited

Trustees' Report

Streamlined Energy and Carbon Reporting (continued)

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2022/23 ¹	2021/22
Mandatory requirements:		
Gas	2,708,633	2,033,401
Purchased electricity from the grid	1,196,749	786,827
Transport fuel	73,795	11,245
Total energy	3,979,177	2,831,473

¹ Increase in this year's consumption due to addition of two schools.

Breakdown of emissions associated with the reported energy use (tCO₂e):

Emission source	2022/23 ¹	2021/22
Mandatory requirements:		
Scope 1:		
Natural gas	495.5	371.2
Company owned vehicles (minibuses)	16.1	1.2
Scope 2:		
Purchased electricity (location-based)	247.8	152.2
Scope 3:		
Category 6: Business travel (grey fleet)	1.6	1.6
Total gross emissions (mandatory)	761.0	526.2

¹ Increase in this year's consumption due to addition of two schools.

Intensity ratios (mandatory emissions only)

Tonnes of CO ₂ e per pupil	0.154	0.218
Tonnes of CO ₂ e per square meter floor area	0.03	0.031

Intensity ratio

The primary intensity ratio is total gross emissions in metric tonnes CO₂e (mandatory emissions) per pupil, which is the recommended ratio for the sector for consistency and comparability. Pupil numbers are based on the Autumn 2022 Census. A secondary intensity ratio based on floor area (Gross Internal Area) is also provided to reflect the energy efficiency of the buildings, which are the source of the majority of emissions.

Energy efficiency action during current financial year

The Trust has implemented the following energy efficiency actions in this reporting period:

- Smart meters installed at all sites excluding Portswood allowing real time monitoring.
- Highcliffe heating system upgraded in most buildings which included the installation of a Trend BMS system.
- Re-felting of KS1 building at Tanners Brook.
- Rolling programme of LED replacements at all sites. When a unit becomes unusable it is replaced with an energy efficient LED version.

HISP Multi Academy Trust Limited

Trustees' Report

Funds Held as Custodian Trustee on Behalf of Others

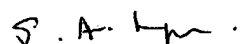
The Trust does not hold funds on behalf of others. The trading subsidiary Thornden School Services Limited holds a balance of £3,404 for the Thornden Hall Community Choir.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 27 November 2023 and signed on the board's behalf by:



A Langran

Chair of Trustees

HISP Multi Academy Trust Limited

Governance Statement

Scope of Responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between HISP Multi Academy Trust and the Secretary of State for Education. The Chief Executive is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 12 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
B Clark	11	12
M Collings	11	12
J Hastings	7	7
A Hunter	9	12
A Langran	12	12
A Parr	12	12
P Sampson (until December 2022)	4	4
S Whelan	6	8
M Siswick	6	12
K Woods-Townsend	12	12

The Trust Board continued meetings as planned within this reporting year, taking account of national guidance and local conditions when deciding how to deliver the board meetings, with some held remotely and others, where appropriate, in person. The Board has oversight of all strategic decisions and uses a sub-committee, Audit and Risk, which has met as planned in the same format of meetings as the full Trust Board.

Conflicts of interest

The Trust maintains an up to date and complete register of interests, and ahead of all meetings Trustees are asked to declare any items relevant to agenda items to be considered. Where any potential conflicts are declared the Trustee plays no part in decision making.

HISP Multi Academy Trust Limited

Governance Statement

Governance (continued)

Governance reviews

The Trust Board is reflective, considering its own performance and effectiveness in delivering its strategic objectives. Skills audits inform gaps and recruitment is focused on areas of need, using governor recruitment agencies and local connections. The Board has engaged with an NLG to support training for Trustees and our Academy committees (ACs) which was co-created between the NLG and Chair of Trustees. Trustees engage with their own training linked to the roles they hold and training that that is undertaken by the full Board. The Board uses NGA to support training.

Audit and Risk Committee

The Audit and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to direct the Trust's programme of internal scrutiny, ensures that risks are being addressed appropriately through internal scrutiny and report to the Board on adequacy of the Trust's internal control framework. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
B Clark	3	3
A Hunter	3	3
P Sampson	1	1
A Parr	2	2

Finance and Resources Committee

The Trust has also established a Finance and Resources Committee in 2022/23 to ensure that sufficient time and expertise is available to enable it to scrutinise and discuss in detail the financial issues impacting the Trust. The Finance and Resources Committee is a formal sub-committee of the main Board of Trustees. Attendance at the meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
B Clark	4	4
A Hunter	3	4
M Siswick	1	1
A Parr	4	4
S Whelan	2	3

HR and Remuneration Committee

The HR & Remuneration committee is a formal sub-committee of the Board of Trustees, advising the Board on HR and Remuneration issues. Membership and attendance at the committee meetings during the year is shown below:

Trustee	Meetings attended	Out of a possible
M Collings	2	2
A Langran	2	2
A Parr	2	2

HISP Multi Academy Trust Limited

Governance Statement

Governance (continued)

Education and Standards Committee

The Trust has established an Education and Standards Committee in 2022/23 to focus on ensuring educational delivery and school improvement. The committee is a sub-committee of the main Board of Trustees. Membership and attendance at the committee meetings during the year is shown below:

Trustee	Meetings attended	Out of a possible
J Hastings	2	2
A Hunter	1	1
A Langran	3	3
M Siswick	1	3
S Whelan	1	2
K Woods-Townsend	3	3

Review of Value for Money

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

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

- Running a procurement process for the provision of gas and electricity supply to the Trust.
- Ensuring competitive quotations are obtained for the provision of all goods and services supplied.
- Ensuring curriculum requirements are designed and developed in parallel to a consideration of financial affordability and sustainability.

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 on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place in HISP Multi Academy Trust Limited for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

HISP Multi Academy Trust Limited

Governance Statement

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 on-going process for identifying, evaluating, and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. The Board of Trustees regularly review this process.

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. 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
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has appointed Moore (South) Chartered Accountants and Business Advisors based in Salisbury Wiltshire as its internal auditors.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations
- testing of compliance with the Academy Trust Handbook

On an annual basis, Internal Audit report to the Board of Trustees, through the Audit and Risk Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities 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.

HISP Multi Academy Trust Limited

Governance Statement

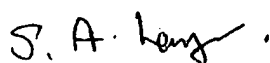
Review of Effectiveness

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

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

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

Approved by order of the members of the Board of Trustees on 27 November 2023 and signed on its behalf by:



A Langran
Chair of Trustees



D Pike
Accounting Officer

HISP Multi Academy Trust Limited

Statement of Regularity, Propriety and Compliance

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

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all 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 2022.

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



D Pike

Accounting Officer

27 November 2023

HISP Multi Academy Trust Limited

Statement of Trustees' Responsibilities

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

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

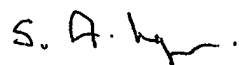
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the members of the Board of Trustees on 27 November 2023 and signed on its behalf by:



A Langran

Chair of Trustees

HISP Multi Academy Trust Limited

Independent Auditor's Report on the Financial Statements to the Members of HISP Multi Academy Trust Limited

Opinion

We have audited the financial statements of HISP Multi Academy Trust Limited ('the parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities (including the Income and Expenditure Account), the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019, and the Academies Accounts Direction 2022 to 2023 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 – land and buildings valuation

We draw attention to note 1 in the financial statements which highlights, under "Critical accounting estimates and areas of judgement", that the Academy Trust has included an estimate of £25,961,094 for the fair value of the land and buildings in respect of Crofton School. The Academy Trust has requested a valuation from the ESFA, but this has not been received at the date of approval of the financial statements.

Should the valuation prove to be materially higher or lower than the estimate of the value currently included in the accounts an adjustment will be required to the Balance Sheet and Statement of Financial Activities to recognise the increase or decrease in the valuation. Our opinion is not modified in respect of this matter.

HISP Multi Academy Trust Limited

Independent Auditor's Report on the Financial Statements to the Members of HISP Multi Academy Trust Limited

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

HISP Multi Academy Trust Limited

Independent Auditor's Report on the Financial Statements to the Members of HISP Multi Academy Trust Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent 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 the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

HISP Multi Academy Trust Limited

Independent Auditor's Report on the Financial Statements to the Members of HISP Multi Academy Trust Limited

Our responsibilities for the audit of the financial statements (continued)

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust, and the sector in which it operates. These include but are not limited to compliance with the Companies Act 2006, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019, the Academy Trust Handbook 2022, and the Academies Accounts Direction 2022 to 2023.
- We obtained an understanding of how the Academy Trust is complying with these frameworks through discussions with management.
- We enquired with management whether there were any instances of non-compliance with laws and regulations or whether they had knowledge of actual or suspected fraud. These enquiries are corroborated through follow-up audit procedures including but not limited to a review of legal and professional costs, correspondence, and a review of board minutes.
- We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including the risk of fraud and management override of controls. We designed our audit procedures to respond to this assessment, including the identification and testing of any related party transactions and the testing of journal transactions that arise from management estimates, that are determined to be of significant value or unusual in their nature.
- We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the sector in which the Academy Trust operates in, and their practical experience through training and participation with audit engagements of a similar nature.

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

HISP Multi Academy Trust Limited

Independent Auditor's Report on the Financial Statements to the Members of HISP Multi Academy Trust Limited

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.

James Flood

J Flood ACA (Senior statutory auditor)

For and on behalf of Hopper Williams & Bell Limited

Statutory Auditor

Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

13 Dec 2023

Date

HISP Multi Academy Trust Limited

Independent Reporting Accountant's Assurance Report on Regularity to HISP Multi Academy Trust Limited and the Education & Skills Funding Agency

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

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

Respective responsibilities of HISP Multi Academy Trust Limited's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of HISP Multi Academy Trust Limited's funding agreement with the Secretary of State for Education dated 12 December 2019 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

HISP Multi Academy Trust Limited

Independent Reporting Accountant's Assurance Report on Regularity to HISP Multi Academy Trust Limited and the Education & Skills Funding Agency

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration as to whether prior approval was sought from the Secretary of State where it is required by the Academy Trust Handbook (effective from 1 September 2022) (ATH).
- Review of any special payments to staff, including compromise agreements, to consider whether prior approval was sought where required by the ATH and that any payments are in line with the severance guidance published by ESFA.
- Consideration as to whether any borrowings have been made in accordance with the ATH.
- Review of any 'minded to' letters or Notices to Improve which have been issued to the Academy Trust.
- Review of any transactions with related parties to ensure that they have been carried out in accordance with the ATH.
- Review of governance arrangements to determine whether the requirements of the ATH have been met.
- Review of the Academy Trust's internal controls, including whether the general control environment has regard to the regularity of underlying transactions, including fraud management.
- Review of the Academy Trust's procurement policies to determine effectiveness and testing a sample of purchases to confirm that the policies have been correctly implemented.
- Identifying any conditions associated with specialist grant income and determining whether it has been spent as the purposes intended.

HISP Multi Academy Trust Limited

Independent Reporting Accountant's Assurance Report on Regularity to HISP Multi Academy Trust Limited and the Education & Skills Funding Agency

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 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. ✓

James Flood

J Flood ACA

Reporting Accountant

Hopper Williams & Bell Limited

Chartered Accountants

Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

13 Dec 2023

Date

HISP Multi Academy Trust Limited

Consolidated Statement of Financial Activities for the year ended 31 August 2023 (including Income and Expenditure Account)

	Note	Un-restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2022/23 Total £	2021/22 Total £
Income and endowments from:							
Donations and capital grants	2	-	22,804	-	1,623,468	1,646,272	333,529
Transfer from local authority on conversion		131,370	-	(1,240,000)	26,153,878	25,045,248	-
Transfer of existing academy joining the trust		711,006	-	(845,000)	16,683,305	16,549,311	-
Other trading activities	4	650,696	24,353	-	-	675,049	379,464
Investments	5	18,854	-	-	-	18,854	1,523
Charitable activities:							
Funding for the academy trust's educational operations	3	62,812	26,979,873	-	-	27,042,685	14,233,709
Teaching school hub income	3	-	1,687,853	-	-	1,687,853	1,401,086
Total		1,574,738	28,714,883	(2,085,000)	44,460,651	72,665,272	16,349,311
Expenditure on:							
Raising funds	6	361,716	-	-	-	361,716	199,357
Charitable activities:							
Academy trust educational operations	7	35,843	26,832,650	216,000	985,887	28,070,380	15,173,928
Teaching school hub expenditure	7	-	1,625,840	-	-	1,625,840	1,346,410
Total		397,559	28,458,490	216,000	985,887	30,057,936	16,719,695
Net income / (expenditure)		1,177,179	256,393	(2,301,000)	43,474,764	42,607,336	(370,384)
Transfers between funds	19	-	(366,873)	-	366,873	-	-
Other recognised gains / (losses):							
Actuarial gains on defined benefit pension schemes	29	-	-	845,000	-	845,000	7,352,000
Net movement in funds		1,177,179	(110,480)	(1,456,000)	43,841,637	43,452,336	6,981,616
Reconciliation of funds							
Total funds brought forward		1,343,249	1,555,169	(660,000)	18,757,267	20,995,685	14,014,069
Total funds carried forward		2,520,428	1,444,689	(2,116,000)	62,598,904	64,448,021	20,995,685
Academy Trust's net movement in funds							
		940,930	493,751	(1,456,000)	43,474,764	43,453,445	6,858,711

The notes on pages 42 to 70 form part of these financial statements.


HISP Multi Academy Trust Limited

Group and Academy Balance Sheets as at 31 August 2023

Company Number 07562918

	Note	Group		Academy	
		2023	2022	2023	2022
		£	£	£	£
Fixed assets					
Tangible assets	12	60,818,587	17,955,085	60,818,587	17,955,085
Investments	13	-	-	1	1
		60,818,587	17,955,085	60,818,588	17,955,086
Current assets					
Stock	14	2,291	1,500	167	167
Debtors	15	3,124,104	850,279	3,188,486	846,656
Investments	16	2,000,000	1,501,114	2,000,000	1,501,114
Cash at bank and in hand		4,580,158	2,913,390	4,247,334	2,614,098
		9,706,553	5,266,283	9,435,987	4,962,035
Liabilities					
Creditors: Amounts falling due within one year	17	(3,889,513)	(1,521,417)	(3,777,197)	(1,376,528)
Net current assets		5,817,040	3,744,866	5,658,790	3,585,507
Total assets less current liabilities		66,635,627	21,699,951	66,477,378	21,540,593
Creditors:					
Amounts falling due after more than one year	18	(71,606)	(44,266)	(71,606)	(44,266)
Net assets excluding pension liability		66,564,021	21,655,685	66,405,772	21,496,327
Defined benefit pension scheme liability	29	(2,116,000)	(660,000)	(2,116,000)	(660,000)
Total net assets		64,448,021	20,995,685	64,289,772	20,836,327
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	19	62,598,904	18,757,267	62,598,905	18,757,267
Restricted income fund	19	1,444,689	1,555,169	1,444,689	1,555,169
Pension reserve	19	(2,116,000)	(660,000)	(2,116,000)	(660,000)
Total restricted funds		61,927,593	19,652,436	61,927,594	19,652,436
Unrestricted income funds	19	2,520,428	1,343,249	2,362,178	1,183,891
Total funds		64,448,021	20,995,685	64,289,772	20,836,327

The financial statements on pages 39 to 70 were approved by the Trustees and authorised for issue on 27 November 2023 and are signed on their behalf by:

S. A. 

A Langran
Chair of Trustees

HISP Multi Academy Trust Limited

Consolidated Statement of Cash Flows for the year ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	23	2,678,908	893,382
Cash flows from financing activities	24	(33,242)	(33,242)
Cash flows from investing activities	25	(978,898)	(496,742)
Change in cash and cash equivalents in the reporting period		1,666,768	363,398
Cash and cash equivalents at 1 September 2022		2,913,390	2,549,992
Cash and cash equivalents at 31 August 2023	26	4,580,158	2,913,390

HISP Multi Academy Trust Limited

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

1 Accounting policies

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

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the Academy Trust and are rounded to the nearest £1.

Group financial statements

These financial statements consolidate the results of the Academy Trust and its wholly owned subsidiary, Thornden School Services Limited, on a line by line basis. A separate Statement of Financial Activities for the parent Academy Trust itself is not presented. The registered office address of Thornden School Services Limited is the same as the registered office address of the parent Academy Trust.

The Trust has taken advantage of exemption under the terms of FRS 102 not to disclose a cash flow for the Academy Trust alone as it is included within the consolidated cash flow.

Going Concern

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

HISP Multi Academy Trust Limited

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

Income

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

- **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.

- **Grants**

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

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

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

- **Other Income**

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

- **Donated goods, facilities and services**

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

HISP Multi Academy Trust Limited

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

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds, restricted pension funds, and restricted fixed asset funds.

- **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within Donations and capital grant income to the net assets acquired.

Expenditure

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

HISP Multi Academy Trust Limited

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

Tangible Fixed Assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Freehold Land and Buildings	50 years straight line on buildings; not provided on land
Leasehold Land and Buildings	Shorter of 50 years straight line or length of lease
Furniture and Equipment	3 to 15 years - straight line
Computer Equipment	3 years - straight line

No depreciation has been provided on long leasehold land as it is similar to freehold land, which does not require depreciation.

Where the Academy Trust can identify the value of major components of freehold or leasehold buildings based upon additions following conversion to academy status, the Academy Trust reviews whether one or more such components have significantly different patterns of consumption of economic benefits. In such cases, the Academy Trust allocates the cost of the asset to its major components and depreciates each component separately over its useful life.

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

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

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.

HISP Multi Academy Trust Limited

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

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.

Investments

The academy's shareholding in the wholly owned subsidiary, Thornden School Services Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Current asset investments

Current asset investments comprise fixed term bank deposits. These investments are classified as a basic financial instrument and are measured at amortised cost.

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. Prepayments are not financial instruments. Amounts due from the charity's wholly owned subsidiary are held at face value less any impairment.

Cash at bank

Cash at bank is classified as a basic financial instrument and is measured at face value. An investment is treated as a cash equivalent when it has a short maturity of three months or less from the date of acquisition.

Financial liabilities

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

Stock

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

HISP Multi Academy Trust Limited

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

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 part 11, chapter 3 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 to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund Accounting

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

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

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

HISP Multi Academy Trust Limited

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The Academy Trust has included an estimate of £25,961,094 for the fair value of the land and buildings in respect of Crofton School. The Academy Trust has requested a valuation from the ESFA, but this has not been received at the date of approval of the financial statements. The fair value of the leasehold land and buildings has been estimated by the trust based on an existing local authority valuation. This estimate has been used in the accounts whilst the Trustees await a value in use valuation from the ESFA, at which point the value will be adjusted in the accounts.

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 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.

The assumptions used are disclosed in note 29.

Critical areas of judgement

There are no other critical areas of judgement.

2 Donations and capital grants

	Unrestricted funds	Restricted funds	2022/23 Total	2021/22 Total
	£	£	£	£
Capital grants	-	1,623,468	1,623,468	310,049
Other donations	-	22,804	22,804	23,480
	-	1,646,272	1,646,272	333,529
Total 2022	-	333,529	333,529	

HISP Multi Academy Trust Limited

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

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	21,622,366	21,622,366	11,789,073
Pupil Premium	-	751,818	751,818	381,821
UIFSM	-	103,487	103,487	89,581
Rates reclaim	-	93,839	93,839	51,522
PE and sports grant	-	39,510	39,510	39,700
Teachers' pay grant	-	1,179	1,179	1,939
Teachers' pension grant	-	35,636	35,636	8,232
Other DfE grants	-	1,327,157	1,327,157	267,613
ITT Bursaries Grants	-	427,820	427,820	594,213
	-	24,402,812	24,402,812	13,223,694
Other Government grants				
Local authority grants	-	524,901	524,901	195,893
Other income from the Academy Trust's educational operations				
Trip income	-	476,525	476,525	295,287
Tuition fee income	-	52,804	52,804	59,730
Catering income	-	382,046	382,046	75,559
Nursery income	-	194,291	194,291	121,210
Other income	62,812	946,494	1,009,306	262,336
	62,812	2,052,160	2,114,972	814,122
Teaching school hub				
DfE / ESFA teaching school grants	-	1,082,451	1,082,451	1,023,785
Other teaching school income	-	605,402	605,402	377,301
	-	1,687,853	1,687,853	1,401,086
	62,812	28,667,726	28,730,538	15,634,795
Total 2022	-	15,634,795	15,634,795	

HISP Multi Academy Trust Limited

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

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
Hire of facilities	237,427	-	237,427	162,227
Ticket sales	281,467	-	281,467	160,482
Other trading income	131,802	24,353	156,155	56,755
	<u>650,696</u>	<u>24,353</u>	<u>675,049</u>	<u>379,464</u>
<i>Total 2022</i>	<i>379,464</i>	<i>-</i>	<i>379,464</i>	

5 Investment income

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
Short term deposits	18,854	-	18,854	1,523
	<u>1,523</u>	<u>-</u>	<u>1,523</u>	
<i>Total 2022</i>	<i>1,523</i>	<i>-</i>	<i>1,523</i>	

HISP Multi Academy Trust Limited

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

6 Expenditure

	Staff costs	Non Pay Expenditure		Total	Total
	£	Premises	Other	2022/23	2021/22
	£	£	£	£	£
Expenditure on raising funds	-	-	361,716	361,716	199,357
Academy's educational operations:					
Direct costs	17,693,183	-	2,749,535	20,442,718	10,794,437
Allocated support costs	3,063,055	1,994,770	2,569,837	7,627,662	4,379,491
Teaching school hub					
Direct teaching school costs	655,321	-	626,266	1,281,587	1,061,213
Allocated teaching school support costs	255,582	-	88,671	344,253	285,197
	<u>21,667,141</u>	<u>1,994,770</u>	<u>6,396,025</u>	<u>30,057,936</u>	<u>16,719,695</u>
<i>Total 2022</i>	<i>11,905,385</i>	<i>1,023,995</i>	<i>3,790,315</i>	<i>16,719,695</i>	

Net income/(expenditure) for the period includes:

	2022/23	2021/22
	£	£
Operating lease rentals	33,478	36,232
Depreciation	970,487	471,551
Fees payable to auditor for:		
Audit	18,330	16,240
Other services	14,070	12,535

HISP Multi Academy Trust Limited

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

7 Charitable activities

	2022/23	2021/22
	Total	Total
	£	£
Direct costs – educational operations	20,442,718	10,794,437
Direct costs – teaching school hub	1,281,587	1,061,213
Support costs – educational operations	7,627,662	4,379,491
Support costs – teaching school hub	344,253	285,197
	29,696,220	16,520,338

Analysis of support costs:

	Teaching school hub	Educational operations	2022/23 Total	2021/22 Total
	£	£	£	£
Support staff costs	255,582	3,063,055	3,318,637	2,390,352
Depreciation	-	155,713	155,713	133,635
Technology costs	-	446,138	446,138	210,279
Premises costs	-	1,994,770	1,994,770	1,023,995
Legal costs - conversion	-	5,397	5,397	-
Legal costs - other	-	40,056	40,056	4,466
Other support costs	88,671	1,870,610	1,959,281	867,067
Governance costs	-	51,923	51,923	34,894
Total support costs	344,253	7,627,662	7,971,915	4,664,688
<i>Total 2022</i>	<i>285,197</i>	<i>4,379,491</i>	<i>4,664,688</i>	

Premises costs includes £15,400 (2022: £21,167) in respect of expenditure on capital projects, which were funded by capital grants from the ESFA.

HISP Multi Academy Trust Limited

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

8 Staff

a) Staff costs

Staff costs during the period were:

	2022/23	2021/22
	£	£
Wages and salaries	16,045,623	8,306,507
Social security costs	1,583,897	846,020
Pension costs	3,453,708	2,623,763
	21,083,228	11,776,290
Agency staff costs	413,064	117,541
Staff restructuring costs	170,849	11,554
	21,667,141	11,905,385

Staff restructuring costs comprise:

Severance payments	46,420	11,554
Other restructuring costs	124,429	-
	170,849	11,554

b) Severance payments

The Academy Trust paid two severance payments in the year, disclosed in the following bands:

	No.
£0 - £25,000	1
£25,001 - £50,000	1

c) Special staff severance payments

Included in staff restructuring costs are special staff severance payments totalling £46,420 (2022: £11,554). Individually, the payments were: £31,420 and £15,000.

d) Staff numbers

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

	2022/23	2021/22
	No.	No.
Teachers	278	153
Administration and support	230	123
Management	4	3
	512	279

HISP Multi Academy Trust Limited

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

e) Higher paid staff

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

	2022/23	2021/22
	No.	No.
£60,001 - £70,000	10	2
£70,001 - £80,000	4	5
£80,001 - £90,000	3	1
£90,001 - £100,000	2	-
£100,001 - £110,000	-	1
£120,001 - £130,000	1	1
£130,001 - £140,000	1	-
£140,001 - £150,000	1	-

f) 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 pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £469,033 (2022: £406,831).

9 Related Party Transactions – Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

		2022/23	2021/22
		£000	£000
S Whelan	Remuneration	130-135	125-130
(Staff trustee to 31 August 2023)	Employer's pension contributions paid	30-35	25-30

During the period ended 31 August 2023, travelling expenses totalling £683 were reimbursed or paid directly to two Trustees (2022: £1,966 to two Trustees).

10 Trustees' and officers' insurance

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

HISP Multi Academy Trust Limited

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

11 Central Services

The Academy Trust has provided the following central services to its academies during the year:

- Staff costs
- Governance costs
- Other central costs

The Academy Trust charges for these services as a pre-agreed contribution based on the level of central services support required. The actual amounts charged during the year were as follows:

	2022/23	2021/22
	£	£
Crofton School	-	-
Highcliffe School	90,000	-
Portswood Primary School	149,110	157,620
Tanners Brook Primary School	80,269	155,845
Thornden School	608,026	522,915
	927,405	836,380

12 Tangible fixed assets

Group and Academy	Freehold Land and Buildings £	Leasehold Land and Buildings £	Assets Under Con- struction £	Furniture and Equipment £	Computer Equipment £	Total £
Cost						
At 1 September 2022	-	20,678,547	-	2,402,991	1,272,804	24,354,342
On conversion	-	25,961,094	-	167,736	-	26,128,830
Transfer of existing academy	16,683,305	-	-	-	-	16,683,305
Acquisitions	107,620	339,190	308,195	188,866	77,983	1,021,854
At 31 August 2023	16,790,925	46,978,831	308,195	2,759,593	1,350,787	68,188,331
Depreciation						
At 1 September 2022	-	3,138,440	-	2,191,823	1,068,994	6,399,257
Charged in year	278,858	525,824	-	72,592	93,213	970,487
At 31 August 2023	278,858	3,664,264	-	2,264,415	1,162,207	7,369,744
Net book values						
At 31 August 2022	-	17,540,107	-	211,168	203,810	17,955,085
At 31 August 2023	16,512,067	43,314,567	308,195	495,178	188,580	60,818,587

HISP Multi Academy Trust Limited

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

13 Investments

	Academy	
	2022/23	2021/22
	£	£
Shares in group undertakings	1	1

The investment represents 100% of the ordinary share capital of Thornden School Services Limited, whose principal activity is to carry out trading activities in support of the academy.

14 Stock

	Group		Academy	
	2022/23	2021/22	2022/23	2021/22
	£	£	£	£
Uniform stocks	167	167	167	167
Other stocks	2,124	1,333	-	-
	2,291	1,500	167	167

15 Debtors

	Group		Academy	
	2022/23	2021/22	2022/23	2021/22
	£	£	£	£
Trade debtors	328,973	75,382	399,918	70,920
VAT recoverable	205,395	59,575	202,194	60,814
Other debtors	223,777	-	223,777	-
Prepayments and accrued income	2,365,959	715,322	2,362,597	714,922
	3,124,104	850,279	3,188,486	846,656

Prepayments and accrued income incomes £1,400,094 (2022: £271,395) in respect of accrued income for Condition Improvement Fund capital projects.

16 Current asset investments

	Group		Academy	
	2022/23	2021/22	2022/23	2021/22
	£	£	£	£
Bank deposits	2,000,000	1,501,114	2,000,000	1,501,114

HISP Multi Academy Trust Limited

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

17 Creditors: amounts falling due within one year

	Group		Academy	
	2022/23	2021/22	2022/23	2021/22
	£	£	£	£
Trade creditors	1,195,812	309,898	1,179,584	306,260
Other taxation and social security	468,248	204,516	468,248	204,516
Loans falling due within one year	23,199	33,242	23,199	33,242
Other creditors falling due within one year	536,250	271,515	536,140	271,515
Accruals and deferred income	1,666,004	702,246	1,570,026	560,995
	3,889,513	1,521,417	3,777,197	1,376,528

	Group		Academy	
	2022/23	2021/22	2022/23	2021/22
	£	£	£	£
Deferred income at 1 September 2022	476,824	268,004	340,909	199,632
Released from previous years	(476,824)	(268,004)	(340,909)	(199,632)
Resources deferred in the year	1,138,833	476,824	1,047,015	340,909
Deferred income at 31 August 2023	1,138,833	476,824	1,047,015	340,909

At the balance sheet date the academy trust was holding funds received in advance for school trips which relate to the forthcoming academic year. The academy trust was also holding funds in respect of the future maintenance of its tennis court, as follows:

	Group		Academy	
	2022/23	2021/22	2022/23	2021/22
	£	£	£	£
Brought forward	62,543	58,343	-	-
Contributions	-	4,200	-	-
Carried forward	62,543	62,543	-	-

18 Creditors: amounts falling due in greater than one year

	Group		Academy	
	2022/23	2021/22	2022/23	2021/22
	£	£	£	£
Loans falling due in greater than one year	21,067	44,266	21,067	44,266
Other creditors falling due in greater than one year	50,539	-	50,539	-
	71,606	44,266	71,606	44,266

Included within other creditors falling due after more than one year is a Salix Finance loan of £nil (2022: £10,043) which is repayable in 12 equal bi-annual instalments from March 2018 to September 2023, and a Condition Improvement Fund loan of £11,024 (2022: £34,223) which is repayable in 96 equal monthly instalments from September 2018 to August 2026.

HISP Multi Academy Trust Limited

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

19 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2023 £
Restricted general funds						
General Annual Grant (GAG)	1,226,935	21,622,366	(21,435,254)	(366,873)	-	1,047,174
Pupil premium	-	751,818	(751,818)	-	-	-
UIFSM	-	103,487	(103,487)	-	-	-
Rates reclaim	-	93,839	(93,839)	-	-	-
PE and sports grant	-	39,510	(39,510)	-	-	-
Teachers' pay grant	-	1,179	(1,179)	-	-	-
Teachers' pension grant	-	35,636	(35,636)	-	-	-
Other DfE grants	-	1,327,157	(1,327,157)	-	-	-
SCITT	139,783	460,051	(452,783)	-	-	147,051
Teaching School Hub	188,451	1,687,853	(1,625,840)	-	-	250,464
Local authority grants	-	524,901	(524,901)	-	-	-
Other educational activities	-	2,067,086	(2,067,086)	-	-	-
	1,555,169	28,714,883	(28,458,490)	(366,873)	-	1,444,689
Pension reserve	(660,000)	(2,085,000)	(216,000)	-	845,000	(2,116,000)
	895,169	26,629,883	(28,674,490)	(366,873)	845,000	(671,311)
Restricted fixed asset funds						
Fixed asset fund	17,955,085	42,812,135	(970,487)	1,021,854	-	60,818,587
ESFA capital grants (DFC)	47,179	277,231	-	(37,891)	-	286,519
ESFA capital grants (CIF)	675,003	1,371,285	(15,400)	(655,202)	-	1,375,686
Building development work	80,000	-	-	38,112	-	118,112
	18,757,267	44,460,651	(985,887)	366,873	-	62,598,904
Total restricted funds	19,652,436	71,090,534	(29,660,377)	-	845,000	61,927,593
Total unrestricted funds	1,343,249	1,574,738	(397,559)	-	-	2,520,428
Total funds	20,995,685	72,665,272	(30,057,936)	-	845,000	64,448,021

HISP Multi Academy Trust Limited

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

19 Funds (continued)

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

General annual grant

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the school budget share; minimum funding guarantee; education services grant; insurance; rates; and pre-16 high needs funding streams.

Other DfE/ESFA grants

This is funding received from the ESFA for specific purposes.

Teaching School Hub

Teaching school hubs are centres of excellence for teacher training and development, focused on some of the best schools and multi-academy trusts in the country. Teaching school hubs provide high-quality professional development to teachers at all stages of their careers. This is funding received from the DfE/ESFA for this purpose.

Local authority grants

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Other educational activities

This includes all other educational income/expenditure.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the Academy Trust on conversion.

Fixed asset fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

DfE/ESFA capital grants

This is funding received from the DfE/ESFA specifically for expenditure on capital improvements.

Transfers between funds

Transfers to the restricted fixed asset fund represent the cost of fixed asset additions which have been funded from restricted or unrestricted general funds.

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

HISP Multi Academy Trust Limited

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

19 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2022/23	2021/22
	£	£
Crofton School	210,359	-
Highcliffe School	559,305	-
Portswood Primary School	733,068	586,595
Tanners Brook Primary School	296,968	288,395
Thornden School	1,210,479	1,219,873
SCITT	147,051	139,783
Teaching School Hub	250,464	188,451
Thornden School Services Limited	158,249	159,358
Central services	399,174	315,963
Total before fixed assets and pension reserve	3,965,117	2,898,418
Restricted fixed asset fund	62,598,904	18,757,267
Pension reserve	(2,116,000)	(660,000)
Total	64,448,021	20,995,685

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excl. dep- reciation) £	2022/23 Total £	2021/22 Total £
Crofton School	2,247,409	402,050	97,702	265,362	3,012,523	-
Highcliffe School	5,658,986	738,670	433,351	1,084,686	7,915,693	-
Portswood Primary School	1,569,619	281,269	82,110	509,260	2,442,258	2,499,101
Tanners Brook Primary School	1,594,059	240,089	96,191	494,137	2,424,476	2,516,635
Thornden School	7,278,431	1,656,559	1,851,673	2,505,836	13,292,499	11,232,408
	18,348,504	3,318,637	2,561,027	4,859,281	29,087,449	16,248,144

HISP Multi Academy Trust Limited

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

19 Funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2022 £
Restricted general funds						
General Annual Grant (GAG)	1,077,369	11,789,073	(11,397,797)	(241,710)	-	1,226,935
Pupil premium	-	381,821	(381,821)	-	-	-
UIFSM	-	89,581	(89,581)	-	-	-
Rates reclaim	-	51,522	(51,522)	-	-	-
PE and sports grant	-	39,700	(39,700)	-	-	-
Teachers' pay grant	-	1,939	(1,939)	-	-	-
Teachers' pension grant	-	8,232	(8,232)	-	-	-
Other DfE grants	-	267,613	(267,613)	-	-	-
SCITT	68,921	594,213	(523,351)	-	-	139,783
Teaching School Hub	58,689	1,401,086	(1,271,324)	-	-	188,451
Local authority grants	-	195,893	(195,893)	-	-	-
Strategic IT reserve	185,000	-	-	(185,000)	-	-
Thornden Hall remedial works	46,048	-	-	(46,048)	-	-
Portswood fire improvement	28,980	-	-	(28,980)	-	-
Other educational activities	-	837,602	(837,602)	-	-	-
	1,465,007	15,658,275	(15,066,375)	(501,738)	-	1,555,169
Pension reserve	(7,055,000)	-	(957,000)	-	7,352,000	(660,000)
	(5,589,993)	15,658,275	(16,023,375)	(501,738)	7,352,000	895,169
Restricted fixed asset funds						
Fixed asset fund	18,132,873	-	(471,551)	293,763	-	17,955,085
ESFA capital grants (DFC)	47,367	47,179	-	(47,367)	-	47,179
ESFA capital grants (CIF)	257,958	262,870	(21,167)	175,342	-	675,003
Building development work	-	-	-	80,000	-	80,000
	18,438,198	310,049	(492,718)	501,738	-	18,757,267
Total restricted funds	12,848,205	15,968,324	(16,516,093)	-	7,352,000	19,652,436
Total unrestricted funds	1,165,864	380,987	(203,602)	-	-	1,343,249
Total funds	14,014,069	16,349,311	(16,719,695)	-	7,352,000	20,995,685

HISP Multi Academy Trust Limited

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

20 Analysis of net assets between funds

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	60,818,587	60,818,587
Current assets	2,520,428	5,405,808	-	1,780,317	9,706,553
Current liabilities	-	(3,889,513)	-	-	(3,889,513)
Non-current liabilities	-	(71,606)	-	-	(71,606)
Pension scheme liability	-	-	(2,116,000)	-	(2,116,000)
Total net assets	2,520,428	1,444,689	(2,116,000)	62,598,904	64,448,021

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

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	17,955,085	17,955,085
Current assets	1,343,249	3,120,852	-	802,182	5,266,283
Current liabilities	-	(1,521,417)	-	-	(1,521,417)
Non-current liabilities	-	(44,266)	-	-	(44,266)
Pension scheme liability	-	-	(660,000)	-	(660,000)
Total net assets	1,343,249	1,555,169	(660,000)	18,757,267	20,995,685

21 Capital commitments

	2022/23	2021/22
	£	£
Contracted for, but not provided in the financial statements	1,040,935	257,958

HISP Multi Academy Trust Limited

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

22 Long-term commitments, including operating leases

Operating leases

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

	2022/23	2021/22
	£	£
Amounts due within one year	87,351	13,177
Amounts due between one and five years	206,340	23,055
	293,691	36,232

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

	2022/23	2021/22
	£	£
Net income / (expenditure) for the reporting period	42,607,336	(370,384)
Adjusted for:		
Depreciation	970,487	471,551
Capital grants from DfE and other capital income	(1,623,468)	(310,049)
Interest receivable	(18,854)	(1,523)
Defined benefit pension scheme cost less contributions payable	134,000	840,000
Defined benefit pension scheme finance cost	82,000	117,000
Transfer from local authority on conversion	(25,045,248)	-
Transfer of existing academy joining the trust	(16,549,311)	-
Cash transferred on conversion	156,418	-
Cash transferred on existing academy joining the trust	711,006	-
Increase in stocks	(791)	(844)
Increase in debtors	(1,145,126)	(63,711)
Increase in creditors	2,400,459	211,342
Net cash provided by Operating Activities	2,678,908	893,382

24 Cash flows from financing activities

	2022/23	2021/22
	£	£
Repayments of borrowing	(33,242)	(33,242)
Net cash used in financing activities	(33,242)	(33,242)

HISP Multi Academy Trust Limited

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

25 Cash flows from investing activities

	2022/23	2021/22
	£	£
Dividends, interest and rents from investments	18,854	1,523
Increase in current asset investments	(498,886)	(501,114)
Purchase of tangible fixed assets	(993,635)	(293,763)
Capital grants from DfE Group	494,769	296,612
Net cash used in investing activities	<u>(978,898)</u>	<u>(496,742)</u>

26 Analysis of cash and cash equivalents

	2022/23	2021/22
	£	£
Cash at bank and in hand	<u>4,580,158</u>	<u>2,913,390</u>

27 Analysis of changes in net debt

	At 1 September 2022	Cash flows	Acquisition/ disposal of subsidiaries	New finance leases	Other non-cash changes	At 31 August 2023
	£	£	£	£	£	£
Cash	2,913,390	1,666,768	-	-	-	4,580,158
Loans falling due within one year	(33,242)	10,043	-	-	-	(23,199)
Loans falling due after more than one year	(44,266)	23,199	-	-	-	(21,067)
Total	2,835,882	1,700,010	-	-	-	4,535,892

28 Member liability

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

HISP Multi Academy Trust Limited

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

29 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 Hampshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

Contributions amounting to £nil were payable to the schemes at 31 August 2023 (2022: £206,745) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every four 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 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

- 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.
- 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. The 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 revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

HISP Multi Academy Trust Limited

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

29 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £2,461,775 (2022: £1,359,125).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was as follows:

	2023	2022
	£	£
Employer's contributions	685,000	427,000
Employees' contributions	218,000	144,000
	903,000	571,000

The agreed contribution rates for future years are 17.9% to 23.6% for employers and 5.5% to 12.5% for

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

Principal actuarial assumptions

	2023	2022
Rate of increase in salaries	4.0%	3.7%
Rate of increase for pensions in payment/inflation	3.0%	2.7%
Discount rate for scheme liabilities	5.2%	4.1%
Inflation assumption (CPI)	3.0%	2.7%

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

	2023	2022
<i>Retiring today</i>		
Males	22.0	22.9
Females	24.5	25.4
<i>Retiring in 20 years</i>		
Males	22.7	24.7
Females	25.6	27.1

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

29 Pension and similar obligations (continued)

Sensitivity analysis

	Increase/(reduction) in defined benefit obligation	
	2023	2022
	£	£
Discount rate +0.1%	(372,000)	(243,000)
Discount rate -0.1%	375,000	243,000
Mortality assumption – 1 year increase	677,000	285,000
Mortality assumption – 1 year decrease	(673,000)	(285,000)
CPI rate +0.1%	359,000	222,000
CPI rate -0.1%	(357,000)	(211,000)

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

	2023	2022
	£	£
Equities	9,759,000	5,739,000
Gilts	3,917,000	1,507,000
Corporate bonds	286,000	-
Property	1,103,000	773,000
Cash and other liquid assets	408,000	89,000
Investment funds	286,000	-
Other	574,000	1,804,000
Total market value of assets	16,333,000	9,912,000

The actual return on scheme assets was a gain of £161,000 (2022: a loss of £652,000).

Amount recognised in the Statement of Financial Activities

	2022/23	2021/22
	£	£
Current service cost	819,000	1,267,000
Interest income	(597,000)	(176,000)
Interest cost	679,000	293,000
Total amount recognised in the SOFA	901,000	1,384,000

HISP Multi Academy Trust Limited

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

29 Pension and similar obligations (continued)

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

	2022/23	2021/22
	£	£
At 1 September	10,572,000	17,224,000
Conversion of Academy Trusts	3,122,000	-
Transferred in on existing academies joining the Academy Trust	4,648,000	-
Current service cost	819,000	1,267,000
Interest cost	679,000	293,000
Employee contributions	218,000	144,000
Actuarial gain	(1,281,000)	(8,180,000)
Benefits paid	(328,000)	(176,000)
At 31 August	18,449,000	10,572,000

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

	2022/23	2021/22
	£	£
At 1 September	9,912,000	10,169,000
Conversion of Academy Trusts	1,882,000	-
Transferred in on existing academies joining the Academy Trust	3,803,000	-
Interest income	597,000	176,000
Actuarial loss	(436,000)	(828,000)
Employer contributions	685,000	427,000
Employee contributions	218,000	144,000
Benefits paid	(328,000)	(176,000)
At 31 August	16,333,000	9,912,000

HISP Multi Academy Trust Limited

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

30 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. The following related party transactions took place in the financial period:

Income Related Party Transactions:

Thornden School Services Limited – the Academy Trust's trading subsidiary:

- Thornden School Services Limited made donations to the Academy Trust totalling £159,358 (2022: £36,453) during the period. There were no amounts outstanding at 31 August 2023 (2022: £nil).

Expenditure Related Party Transactions:

Wandle Learning Trust – an Academy Trust in which M Siswick (trustee until 25 August 2023) is the Co-CEO:

- The Academy Trust purchased services from Wandle Learning Trust totalling £995 (2022: £995) during the period. There were no amounts outstanding at 31 August 2023 (2022: £nil).
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which M Siswick neither participated in, nor influenced.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academy Trust Handbook 2022.

Springwell School - A Langran (trustee) is a governor:

- The Academy Trust purchased services from Springwell School totalling £4,850 (2022: £nil) during the period. There were no amounts outstanding at 31 August 2023 (2022: £nil).
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which A Langran neither participated in, nor influenced.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academy Trust Handbook 2022.

Mount Pleasant Junior School - K Woods-Townsend (trustee) is a governor:

- The Academy Trust purchased services from Mount Pleasant Junior School totalling £7,675 (2022: £nil) during the period. There were no amounts outstanding at 31 August 2023 (2022: £nil).
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which K Woods-Townsend neither participated in, nor influenced.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academy Trust Handbook 2022.

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

31 Academy trust with a newly converted academy

On 1 April 2023 Crofton School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to the Academy Trust from Hampshire County Council for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets					
Leasehold Land and Buildings	-	-	-	25,961,094	25,961,094
Furniture and Equipment	-	-	-	167,736	167,736
Current assets					
Cash - budget surplus on LA funds	131,370	-	-	25,048	156,418
Pension scheme liability	-	-	(1,240,000)	-	(1,240,000)
Net assets/(liabilities)	131,370	-	(1,240,000)	26,153,878	25,045,248

32 Transfer of existing academies into the Academy Trust

Highcliffe School

	Value reported by transferring Academy Trust	Fair value adjustments	Transfer in recognised
	£	£	£
Tangible fixed assets			
Freehold land and buildings	16,683,305	-	16,683,305
Current assets			
Debtors due in less than one year	410,358	694,916	1,105,274
Cash in bank and in hand	443,150	-	443,150
Liabilities			
Creditors due in less than one year	(837,418)	-	(837,418)
Pensions			
Pensions – pension scheme assets	3,803,000	-	3,803,000
Pensions – pension scheme liabilities	(4,648,000)	-	(4,648,000)
Net assets / (liabilities)	15,854,395	694,916	16,549,311