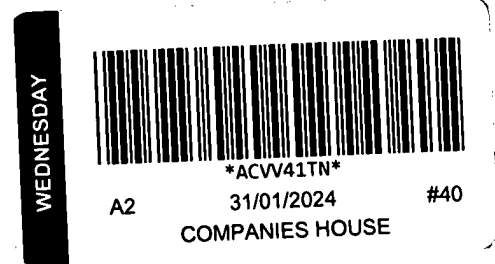


Company Registration Number: 07808732 (England & Wales)

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
(A Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**



**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

The Right Reverend S Wright, Bishop of Hexham and Newcastle (appointed 19 July 2023)

The Right Reverend R Byrne, Bishop of Hexham and Newcastle (resigned 19 July 2023)

Rev. Canon P Leighton, Vicar General

Rev. S Lerche, Episcopal Vicar, Education

D Fox, Director of Education

J Ledger, Financial Secretary

**Directors**

Y R Coates, Chair from 14 September 2022

M Matthews, Chair to 13 September 2022

A M Aisbitt

D N Allan (appointed 23 October 2023)

E E Bradshaw

Fr J Butters (resigned 16 March 2023)

C P Douthwaite (appointed 13 July 2023)

P M Frank

A D Mitchell

S E Monk (appointed 14 September 2022)

C A Powell

I M Sebastine (resigned 3 April 2023)

P T Walker (appointed 23 October 2023)

C R Wiper

**Company registered number**

07808732

**Company name**

Bishop Hogarth Catholic Education Trust

**Principal and registered office**

Carmel RC College

The Headlands

Darlington

County Durham

DL3 8RW

**Company secretary**

Prima Secretary Limited

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**Senior management team**

M P Shorten, Chief Executive Officer & Accounting Officer  
S McGhee, Deputy Chief Executive Officer  
N Conway, Deputy Chief Executive Officer  
T Abbott, Chief Operating Officer  
D Leane, Chief Financial Officer  
J Kenshole, Director of Governance  
M Smith, Director of IT Systems & Services  
R Thompson, Director of HR

**Independent auditors**

Clive Owen LLP  
Chartered Accountants  
Statutory Auditors  
140 Coniscliffe Road  
Darlington  
Co Durham  
DL3 7RT

**Bankers**

National Westminster Bank plc  
25 High Row  
Darlington  
County Durham  
DL3 7QP

**Solicitors**

Womble Bond Dickinson (UK) LLP  
The Spark  
Draymans Way  
Newcastle Helix  
Newcastle upon Tyne  
NE4 5DE

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

The Directors present their annual report together with the financial statements and auditors' report of the Charitable Company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Directors' Report and a Trustees' Report under company law.

The Academy Trust operates five secondary and thirty primary Catholic academies in the Diocese of Hexham and Newcastle, covering Darlington, Durham, Hartlepool and Stockton-on-Tees. Its academies have a combined pupil capacity of 14,106 and had a roll of 12,491 in the school census on 18 May 2023.

**Structure, governance and management**

**Constitution**

The Academy Trust is a Charitable 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 Bishop Hogarth Catholic Education Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Bishop Hogarth Catholic Education Trust.

**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.

**Directors' indemnities**

The Academy Trust has purchased insurance to protect Directors from claims arising against negligent acts, errors or omissions occurring whilst on Academy Trust business.

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

The Academy Trust has a set of rules and procedures setting out how it is run and how it conducts its business and meetings. These are known as the Articles of Association and set out the Academy Trust's charitable objects. The Articles detail the constitution of the Company and the rules for the appointment and removal of its Members and Governors. Members of the Company form the first governing body and are its first Directors (Trustees). They appoint a governing body to which they delegate their duties (in our case the Trust Directors).

The Members of the Bishop Hogarth Catholic Education Trust are as follows:

- a. The Right Reverend Stephen Wright, Bishop of Hexham and Newcastle (appointed 19 July 2023)
- b. Rev. Canon Peter Leighton, Vicar General
- c. Rev. Simon Lerche, Episcopal Vicar, Education
- d. Deborah Fox, Director of Education
- e. Jeff Ledger, Financial Secretary

The term of office for any Director shall be 4 years. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

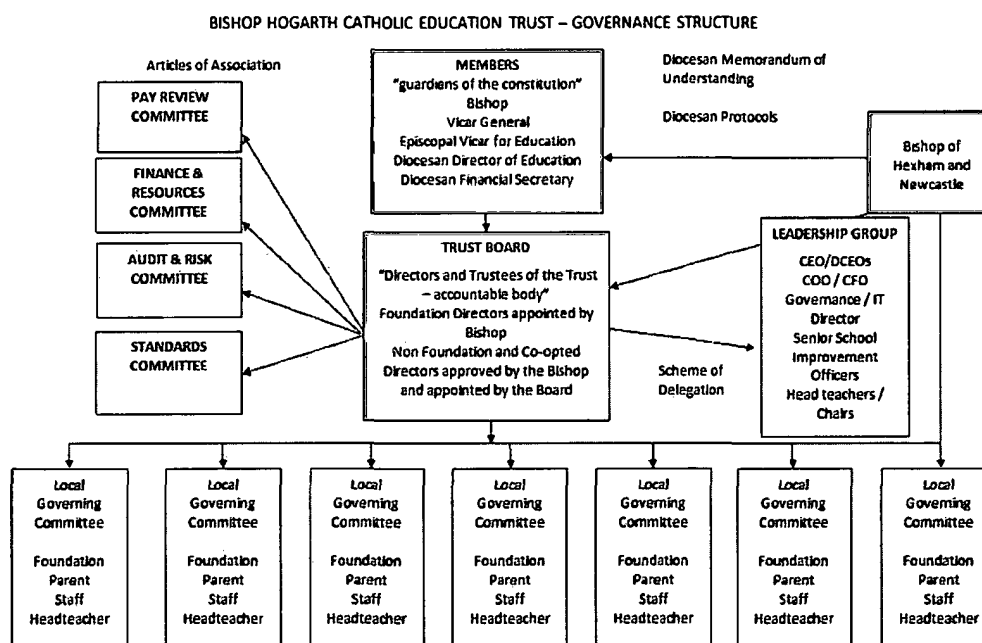
**Structure, governance and management (continued)**

**Policies adopted for the induction and training of Directors**

The training and induction provided for new Directors and Governors depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Directors meet with the Director of Governance and are provided with copies of the Articles of Association, Scheme of Delegation, schedule of meeting dates, Directors Code of Conduct, committee & organisational structure. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. Induction is tailored specifically to the individual. During induction Directors and Governors are provided access to the NGA Learning Link which provides online learning resources including induction.

**Organisational structure**

Bishop Hogarth Catholic Education Trust is a Multi-Academy Trust and as such is a single legal entity with one governing body (the Board of Directors) which is accountable for all academies in the Trust. The Directors are the Governors. Each Academy within the Academy Trust has its own Local Governing Committee to which the Academy Trust governing body (the Board of Directors) delegates functions to (through the Scheme of Delegation). Local Governing Committees are committees of the Academy Trust's governing body and are accountable to the Board of Directors. Members of the Local Governing Committees are not Governors (although they are referred to as such). The Governance Structure below includes seven Local Governing Committees as an example. In total, the thirty-five school in the Academy Trust are accountable to thirty-three Local Governing Committees and one Joint Local Governing Committee.



**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**Structure, governance and management (continued)**

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

The pay policy for all staff, including key management personnel, is governed by the Pay Policy 2022-23 and Performance Appraisal Policy adopted by the Academy Trust. These policies include the Academy Trust's commitment that teachers are employed in accordance with the provisions of the School Teachers Pay and Conditions Document. The Academy Trust has also signed an undertaking with the Diocese of Hexham & Newcastle that it will abide by national pay and conditions. The Pay Review Committee deals with all pay and performance matters relating to staff including the Chief Executive Officer, the Deputy Chief Executive Officer, Principals, Headteachers and other members of key management personnel in accordance with the approved Pay Policy. At least three Directors are members of the committee none of whom are employees of the Academy Trust.

**Trade Union facility time**

The Trust pays into a local authority scheme that provides this service.

**Related parties and other connected charities and organisations**

Bishop Hogarth Services Limited is a 100% subsidiary of Bishop Hogarth Catholic Education Trust. The principal activity of the company is that of a general commercial business.

Further details regarding other related parties are stated in note 29 to the Financial Statements

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

In order to better engage with employees and their representatives the Academy Trust has established the Joint Consultative Committee (JCC) to provide a forum for discussion, consultation and negotiation on the following:

- Employment relation matters
- Policy development
- Working arrangements
- Training and development
- Welfare
- Terms and conditions of employment
- Pay
- Pensions
- Health & Safety
- Equality issues
- Developments in the Academy Trust

The JCC comprises the:

- Chair of Directors
- Chief Executive Officer
- Deputy Chief Executive Officer
- Chief Operating Officer
- Director of Governance
- Director of HR
- Representatives of the Academy Trust's recognised trade unions

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**Structure, governance and management (continued)**

The committee considers key policies, procedures, strategic development issues and budget considerations prior to roll-out for individual and collective consultation with staff.

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

The overall vision of the Academy Trust is wider than the provision of education to our pupils. The Academy Trust and our schools recognise that we are part of a community of stakeholders and our vision reflects this ethos:

'Our schools are places of excellence — providing service and witness to children, their families and the wider Catholic community, adding value as a family of schools and enriching the learning and experience of all our young people, so they may achieve their full potential.'

Directors and Governors have a crucial role to play in connecting their school with the wider community of business and other professional people in order to enhance the education and career aspirations of pupils. The Board encourages each secondary school to have a nominated individual who takes a strategic interest in careers education and guidance and encourages employer engagement. Additionally, each Local Governing Committee is requested to have a link Governor with responsibility for community engagement. The role includes:

- Reviewing staff / parent and student surveys and report issues to governing committee/relevant working groups.
- Monitoring school responses to issues raised in surveys.
- Attending meetings of the School Council and championing its voice on the Governing Committee.
- Undertaking periodic checks of website to ensure all statutory information is published on website.
- Promoting the work of the school and coordinating items for termly governor newsletter to parents.
- Developing a good understanding of the priorities of the school community including the business community.
- Representing the Governing Committee in any community forums or meetings.

Our schools engage with the 8 Gatsby benchmarks to link and involve businesses with our career programmes. The benchmarks include:

- A stable careers programme
- Learning from careers and labour market information
- Addressing the needs of each student
- Linking curriculum learning to careers
- Encounters with employers and employees
- Experiences of workplaces
- Encounters with further and higher education
- Personal guidance



**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**Structure, governance and management (continued)**

**Objectives and activities**

**Objects and aims**

The main objectives of the Academy Trust during the year ended 31 August 2023 are as summarised below:

- a. The Company's objects ("the Objects") are specifically restricted to the advancement of the Catholic religion in the Diocese by such means as the Diocesan Bishop may think fit and proper by, but without prejudice to the generality of the foregoing the establishing, maintaining, carrying on, managing and developing of Catholic schools in the United Kingdom conducted in accordance with the principles, and subject to the regulations and discipline of the Catholic Church.
- b. Subject to the approval of the Diocesan Bishop, during the period that the objects in 4(a) are being fulfilled and form the majority of the activities of the Company, the advancement of education by the establishing, maintaining, carrying on, managing and developing of schools which are not Catholic in the United Kingdom.

**Objectives, strategies and activities**

The Academy Trust has set out the main objectives it wants to pursue in the Trust Strategic Plan 2022-25 that was approved by Directors in February 2023. The Plan sets out the Academy Trust's vision, values, and virtues, together with our priorities as follows:

1. To have ambitious and high expectations for excellence for all students and to have an unrelenting drive to ensure disadvantaged pupils attain the highest possible outcomes through improving the consistency of the Quality of Education across the Trust, so that all schools are at least graded 'Good' by Ofsted.
2. To invest in the strong foundations to a life of learning through high quality Early Years and Foundation Stage provision. BHCET will aim to ensure that all children within Trust schools have the resources, opportunities and skilled teaching to have the best Early Years Foundations to their life of learning. To also invest the time and resources to developing a Trust curriculum KS1-KS5. Through its co-design and the collective efficacy we will establish a challenging and progressive curriculum that suits the needs of a Catholic Trust
3. To be at the forefront of Catholic Education through the development of a Catholic Leadership Culture that is rooted in the Trust Foundations. BHCET will aim to develop catholic leaders of the future through the principles of catholic social teaching and methodologies around evidence-led strategic development. These will include • Virtues, Virtue Theory and character development • Catholic Social Teaching, Subsidiarity, Solidarity and the Common Good • Global Leadership, developing a national and international dimension to our Trust offer.
4. To provide the support structures of finance, HR, IT and communications. These are essential to the smooth running of schools and establishing a Trust that is efficient and effective in providing a highly effective education. The Trust will further establish consistent strategies to maintain compliant, efficient and effective finance strategies that accommodate the needs of all school contexts.
5. To have ongoing investment in high quality learning environments, that visibly reflect the importance of investment in the children's education, will be kept as a priority with specific emphasis on addressing 'condition' and 'educational improvements' through the Trust's estates strategy.
6. To acknowledge and systematically minimise the impact the Trust has on the environment with the intention of ensuring the Trust follows the principles of sustainability.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**Objectives and activities (continued)**

7. To identify and systematically address recruitment, retention, workload and staff well-being issues by aiming to be the employer of choice.

**Public benefit**

The Academy Trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Directors have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Directors have considered this guidance in deciding what activities the Academy Trust should undertake.

**Strategic report**

**Achievements and performance**

**Key performance indicators**

**School Performance 2023**

Overall attainment in primary was 1% higher than 2022 and 5% higher than national, with 64% of year 6 pupils across the Trust's 30 primary schools achieving at least the expected standard in reading, writing and maths at the end of Key Stage 2. Attainment at the expected standard also exceeded national in each subject, with reading, at 77%, exceeding national by 4%, writing 4% above national at 75% and maths 3% higher than national at 76%.

At a Higher standard, Trust attainment improved by 2% with 7% of year 6 pupils across the Trust achieving this threshold in all three subjects, which reduces the gap to national to 1%. Attainment in writing improved by 4% with Trust attainment now 1% higher than national at 14%. In both reading and maths, attainment remained the same as 2022, consequently reading is now 1% lower than national at 28% with maths 5% below national at 19%.

Progress at Key Stage 2 from Key Stage 1 starting points compares well to national in writing with a score of +0.20. Furthermore, reading is similar to national at +0.02, however progress is lower in comparison to national in maths at -0.57.

The gap between disadvantaged and other pupils in the Trust for combined reading, writing and maths attainment at the expected standard or higher is closing compared to previous years, with the gap now at -16%; 6% narrower than 2022. This is a narrower gap than national, which is at -22% and only closed by 1% on 2022. Furthermore, Trust averages for both Disadvantaged pupils and Other pupils in this combined attainment measure exceed their national counterparts with Disadvantaged attainment 8% higher than their national counterparts and 14% lower than national other pupils, which is a 5% reduction on 2022.

In secondary the progress and attainment score for the Trust now includes all five secondaries, including schools that joined during the pandemic. Outcomes returned broadly to 2019 levels with some progress still to be made with the two schools that joined as sponsored academies. The attainment 8 score for all five Trust schools, at 46.4, is similar to 2019 national average of 46.7. Combined attainment in GCSE English and maths exceeds 2019 national averages. In the standard pass (grade 9-4), 68% of students achieved this threshold compared to 65% nationally. 44% of students achieved the strong pass (grade 9-5) in both subjects, which is 1% higher than the national figure of 43%.

The entry rate for the English Baccalaureate has continued to improve with the rate up 7% on 2022 and 3% higher than the latest national figure of 39%. Average EBacc attainment is in-line with 2019 national figure of 4.07, with Trust schools averaging 4.04. Trust EBacc attainment at the standard pass was at 28%, which is 3% higher than 2019 national average.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**Strategic report (continued)**

**Achievements and performance (continued)**

2023 A Level attainment exceeded England averages at the A\*-C, A\*-D and A\*-E grade thresholds and exceeded North East averages at all grade thresholds. The average A Level grade per entry at all Trust sixth forms was 'B-', which is above the national average of 'C+'. Disadvantaged students attainment was slightly lower at 'C+'. 22% of A level entries across the 3 sixth forms were awarded the top A Level grades of A\*-A with just over half of entries awarded A\*-B.

**Tees Valley Teaching School Hub**

The Tees Valley Teaching School Hub was designated by the Department for Education (DfE) to deliver its commitments set out in the Teacher Recruitment and Retention Strategy. This strategy created a golden thread of high quality evidenced based support, training, and development available at all stages of a teacher's career. Central to these reforms the Teaching School Hub has since this designation worked with over 170 schools from across the Tees Valley and beyond to deliver the following.

**Initial Teacher Training** – provided advice, information, guidance, placements, and training to support aspiring teachers across our partnership of schools and working with providers across the hub area and beyond.

**Early Career Framework (ECF)** – working in partnership with University College London, we have delivered facilitated training sessions to 209 Early Career Teachers (ECTs) who have now completed their 2-year ECF training. In addition, we have supported 189 mentors who have also completed their training. In 2023 we registered 227 ECTs and 198 mentors who have embarked on the ECF training with us.

**National Professional Qualifications (NPQ)** – working in partnership with the School Led Network we have delivered the new suite of leadership and specialist National Professional Qualifications to over 130 existing and aspiring school leaders including:

- National Professional Qualification for Head Teachers
- National Professional Qualification Senior Leaders
- National Professional Qualification Leading Behaviour and Culture
- National Professional Qualification Leading Teacher Development
- National Professional Qualification Leading Teachers

We also offer the NPQ Early years lead and Leading literacy.

**Appropriate Body Service** – working to fulfil the statutory requirements of ECT Induction, we have worked with over 400 ECTs and their schools across the academic year.

As part of our wider responsibilities, we have signposted schools to the DfE accredited curriculum and specialist hubs and other sources of accredited and approved Continuing Professional Development (CPD).

**Carmel Professional Training Centre**

The aim of Carmel Professional Training Centre (CPTC) is to foster collaboration, sharing ideas of best practice based on evidence where appropriate, to improve outcomes for students across the region and beyond.

**Carmel Teacher Training Partnership (CTTP)** – cohort 2022-23: 46 trainees achieved Qualified Teacher Status through our Initial Teacher Training (ITT); 95% of the cohort were employed by September 2023.

60 trainees and 35 STEM/MFL interns were recruited in 2022-23. There is an increase in the number of trainees and partnership schools compared to academic year 2022-23. The 2022-23 cohort gained employment across the NE, the UK and beyond. We are working with our new strategic partner, One Cumbria, to develop a new programme from 2024-2025, whilst delivering the historic programme 2023-24.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

**Strategic report (continued)**

**Achievements and performance (continued)**

**Archimedes NE Maths Hub** – Our ninth year as a Maths Hub culminated in a cross-phase conference at Darlington Arena. Workshops and keynotes were part of the day, but the highlight was two live lessons demonstrating Teaching for Mastery and discussions around lesson design and delivery.

Our 38 Local Leaders of Mathematics Education have run Work Groups for hundreds of participants from hundreds of schools across our area, including Subject Knowledge for Teaching Mathematics across all phases and areas such as EYFS, ECTS and non-specialists. The mastering number programme for EYFS and KS1 has been hugely popular and is making an impact (as referenced in the recent Ofsted Maths review), so much so it has been extended into KS2 for next year.

Our main focus, Teaching for Mastery, has been especially popular with secondary schools this year and many of the large NE trusts are now fully engaged. Primary schools continue to sign up for the programme. Going forward our focus is on sustaining our schools as this established programme is now an ongoing school development programme. Next year we will also diversify our remit and move some of the work to have a school improvement focus, beginning to develop the Targeted Support Programme; ensuring more schools can fully engage in the standard Maths Hub offer.

**Science Learning Partnership (SLP)** – Working in partnership with Cardinal Hume, the SLP continues to provide high-quality science CPD across the Tees Valley. 2022-23 was a very successful year and we exceeded our KPIs across the board. Enthuse Partnerships continue to be extremely important in our work: partnerships of 6-10 schools working together to improve young people's attainment and engagement in STEM subjects and developing their awareness and understanding of STEM careers. Bishop Hogarth Catholic Education Trust secondary-based activities played a big part in helping us to achieve our targets last year and we look forward to developing a primary science CPD programme with our Trust to extend this further.

**NCCE Computing Hub** – We provide opportunities for teachers of computing from all education phases from primary through to FE. This has involved school engagement, teacher training, curriculum development and progression of subject knowledge leading to certification. As we continue into the next phase of the NCCE, our priorities remain:

- School engagement with the Computing Quality Framework
- Teacher engagement through CPD events and
- Student engagement by introducing I Belong events aimed at increasing diversity in the computing/digital pipeline and ISAAC discovery/booster sessions intended to increase pupil performance.

We are regarded by STEM Learning (The operators of the NCCE contract for the DfE) as a 'high-performing' hub based on both our performance indicators and our professional behaviours.

**Behaviour Hub** – Carmel has worked with four schools during the academic year 2022-23. Of these, three are extended schools and one is a core school. From September 2023 we will be working with another extended school. As a lead school we make diagnostic visits to our schools supporting their work with their action plans and offer coaching calls throughout the term. As a Behaviour Hub we have supported schools with a focus on developing effective teacher-pupil relationships, supporting vulnerable students through internal inclusion, and the impact of targeted interventions. We have also encouraged schools to investigate the use of extra-curricular activities and encouraged the effective use of rewards and sanctions.

In Behaviour Hub Networking days, we have reflected on the power of inclusion presenting how we support our most vulnerable learners and the impact of Character Education, the development of our Trust Virtues embedding self-regulation. Some key strengths identified are our Internal Inclusion (P4L) and low FTSs with the use of a restorative approach, using targeted interventions like ELSA and THRIVE.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

**Strategic report (continued)**

**Achievements and performance (continued)**

Areas which we need to further sustain in the programme are how we continue to maintain contact with schools that have graduated from the Behaviour Hub programme, continuing to share good practices, and encouraging further collaboration.

**Going concern**

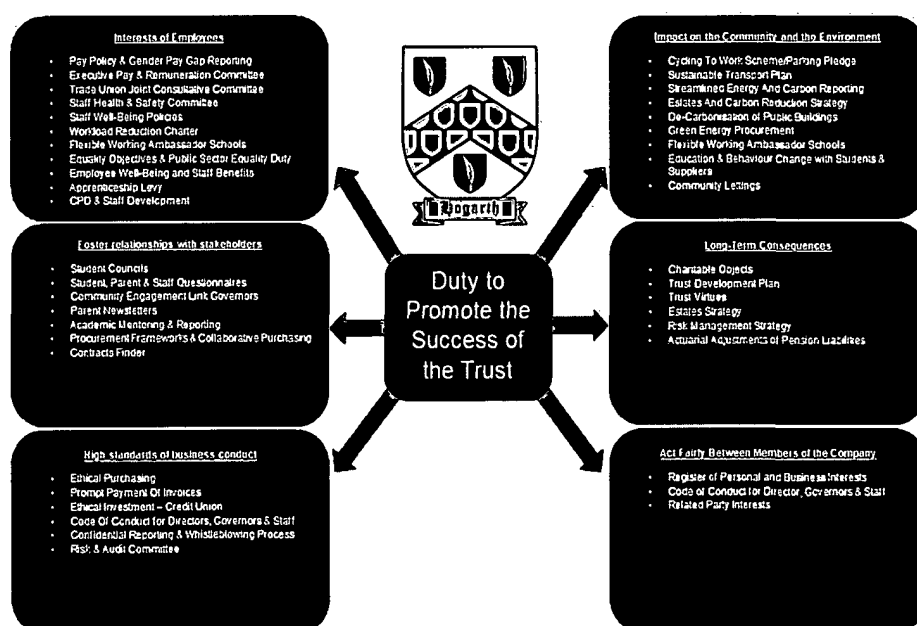
After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further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

**Promoting the success of the company**

Under section 172(1)(a) to (f) of the Companies Act 2006, directors of a company must act in a way most likely to promote the success of the company, and in doing so must have regard to:

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

The following diagram illustrates the Academy Trust's regard to these interest.



**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**Strategic report (continued)**

**Achievements and performance (continued)**

**Financial Review**

Most of the Academy Trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Other major funding streams include those in relation to the activities of the Tees Valley Teaching School Hub and Carmel Professional Training Centre detailed in the Achievements and Performance section above. The Academy Trust also receives funding from local authorities in relation to SEN and Early Years.

During the year ended 31 August 2023, total expenditure of £85,068,000 was exceeded by recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of income over expenditure for the year (before transfers, inherited pension liabilities and actuarial gains, and excluding fixed asset funds) was £1,126,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Academy Trust's objectives.

The in-year deficit, excluding the pension reserve and restricted fixed asset funds, was £2,287,000.

At 31 August 2023 net book value of fixed assets was £50,608,000 and movements in tangible fixed assets are shown in note 14 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy Trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of LGPS pension scheme, resulting in a deficit of £2,689,000 recognised on the Balance Sheet.

The Academy Trust held fund balances as at 31 August 2023 of £69,470,000. This comprises the deficit pension reserve of £2,689,000, restricted fixed asset funds of £55,325,000, restricted income funds of £3,359,000 and unrestricted funds of £13,475,000.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**Strategic report (continued)**

**Reserves Policy**

The Academy Trust holds revenue reserves split between restricted and unrestricted funds. The attached financial statements detail these funds.

The level of reserves is reviewed by Directors regularly throughout the year. The minimum level of revenue reserves for the ongoing needs of the Academy Trust is reviewed by the Directors on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments, the nature of reserves and guidance from the Diocese of Hexham & Newcastle.

The Directors are particularly mindful of future uncertainty in both revenue and capital funding and consider it prudent to hold total revenue reserves of £17,165,000 split between a capital projects fund of £4,564,000 and other revenue reserves of £12,601,000.

Bishop Hogarth Catholic Education Trust reached its maximum size of 35 schools in May 2022, the culmination of the Diocesan academy plan. The Academy Trust's reserves reflect the significant balances required to be able to support all pupils irrespective of the level of reserves held by individual schools. The specific examples detailed below will also help our schools attract the maximum number of new pupils during a period of low birth rates locally, regionally and nationally.

Directors have a particular focus on ensuring that the use of reserves includes direct links into school improvement priorities. A tiering system has been developed by the school improvement team to identify schools that require enhanced support. This system involves School Improvement Boards being put in place where rapid improvement is most needed, with associated costs being funded from reserves where required.

The capital projects fund is held to support the aims of the Academy Trust's Estates and Sustainability Strategy 2023-24 (where school condition allocation funding does not meet all needs) and additional risks associated with RAAC, as well as investment in IT (where devolved formula capital funding does not meet all needs). Areas of particular focus include:

- Safe, warm and dry – During the Trust's period of rapid expansion we added a number of school buildings to our portfolio that are in poor condition. Three of our schools also made it to the latter stages of DfE's School Rebuilding Programme but were not selected for demolition. These factors, along with the general age of our stock, mean that we must invest significantly to ensure that all of our schools are safe, warm and dry.
- More Efficient and Sustainable – We take our responsibility to reduce the impact of our estate on the planet very seriously, and have embedded a new sustainability principle into our central Strategic Plan. We will focus efforts in two areas initially: improving our efficiency (so we use less) and improving the sustainability of what we do use. Potential projects include:
  - Installing solar PV panels onto our school roofing.
  - Other options for clean energy generation on our sites (wind, hydrogen, electricity).
  - Installing LED lighting, upgrading wall and floor insulation, installing double glazed windows, and upgrading boilers and emitters to allow for zonal heating within buildings.
- Facilities of a Comparable Standard – Some of our schools, especially our new joiners, do not have the same high standard of facilities as other schools in the Trust. Correcting this will be a multi-year endeavour, however, we will start this year by focusing on the following three areas:
  - Nurseries and afterschool provision
  - Outdoor provision
  - Kitchens
- Investment in IT infrastructure – ensuring network is safe, secure and provide fast reliable broadband speeds to all schools.
- Investment in IT devices – ensuring that pupils and staff have the equipment needed to achieve their potential.

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

Other revenue reserves are held to cover specific risks identified in relation to:

- Falling pupil numbers due to low birth rates locally, regionally and nationally.
- Uncertainty in future revenue and capital funding, including the:
  - Recent reduction to 1.9% (from 2.7%) in per pupil funding increases from the DfE for 2024-25.
  - Risk that future increases to teacher pay and pension contributions are not fully funded.
- Unfunded support staff pay awards, with April 2023 awards not agreed until after 31st August 2023.
- Cost pressures from unfunded increases to energy prices and other inflationary increases as part of the cost-of-living crisis.
- Sustainability of faith and associated school transport policy.

The individual school balances detailed in note 18 form the Academy Trust's revenue reserves of £16,834,000 and have fallen by £2,287,000 this year. After deducting the restricted income funds of £3,359,000, the current level of unrestricted reserves are £13,475,000. This is slightly higher than the Academy Trust's target for other revenue reserves. With the ongoing capital requirements and revenue risks detailed above, it is expected that the level of reserves will continue to fall.

**Investment policy**

Where cash flow forecasts identify surplus cash, this may be invested only in the following:

- Interest bearing deposit accounts
- Fixed term deposits
- UK registered banks
- Banks registered with the Financial Services Compensation Scheme
- Credit Unions

Interest rates are reviewed prior to each investment. This policy maximises investment return whilst minimising risks to the principal sum.

**Principal risks and uncertainties**

The Reserves Policy above includes details of a number of principal risks and uncertainties that Bishop Hogarth Catholic Education Trust is subject to and details of steps being taken to mitigate these.

The principal risks and uncertainties are centered on changes in the level of funding from DfE/ESFA. In addition, the Academy Trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the Academy Trust Balance Sheet.

The Directors have assessed the major risks to which the Academy Trust is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the Academy Trust and its finances. The Directors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The Academy Trust has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Child Protection.

The Academy Trust is subject to a number of risks and uncertainties in common with other academies. The Academy Trust has in place procedures to identify and mitigate financial risks.



**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Fundraising**

The Directors are aware of their duties in respect of fundraising, including the following areas covered in Section 13 of the Charities (Protection and Social Investment) Act 2016 in respect of the Trust's:

- approach to fundraising
- work with, and oversight of, any commercial participators / professional fundraisers
- fundraising conforming to recognised standards
- monitoring of fundraising carried out on its behalf
- fundraising complaints
- protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Directors are also mindful of the Charity Commission publication "Charity fundraising: a guide to Director duties (CC20)" which has been updated to reflect new requirements, including the following 6 principles that underpin the Academy Trust's responsibility for fundraising:

- Planning effectively.
- Supervising your fundraisers.
- Protecting your charity's reputation, money and other assets.
- Identifying and ensuring compliance with the laws or regulations that apply specifically to your charity's fundraising.
- Identifying and following any recognised standards that apply to your charity's fundraising.
- Being open and accountable.

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

**Streamlined energy and carbon reporting**

	2023	2022
Energy consumption used to calculate emissions (kWh)	14,085,216	13,884,953
<b>Scope 1 emissions (in tonnes of CO2 equivalent):</b>		
Gas consumption	1,801.12	1,801.64
Owned transport	270.66	229.37
<b>Total scope 1</b>	<u>2,071.78</u>	<u>2,031.01</u>
<b>Scope 2 emissions (in tonnes of CO2 equivalent):</b>		
Purchased electricity	<u>809.86</u>	<u>736.68</u>
<b>Scope 3 emissions (in tonnes of CO2 equivalent):</b>		
Business travel in employee-owned or rental vehicles	<u>14.27</u>	<u>6.09</u>
<b>Total gross emissions (in tonnes of CO2 equivalent):</b>	<u>2,895.91</u>	<u>2,773.78</u>
<b>Intensity ratio:</b>		
Tonnes of CO2 equivalent per pupil	<u>0.23</u>	<u>0.22</u>

Quantification and Reporting Methodology:-

- We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

In addition to the Estates and Sustainability Strategy 2023-24 extracts included in the Reserves Policy above, we have continued to use Teams meetings and encouraged flexible working where possible to reduce carbon emissions from travelling to work / meetings.

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

**Plans for future periods**

The Academy Trust is committed to being an active partner in improving the life chances for an increasing number of pupils in the communities that it serves. Through the Tees Valley Teaching School Hub and the Carmel Professional Training Centre, the Academy Trust will continue to promote school improvement and professional development with partner schools through the provision of a range of programmes, including:

- Initial Teacher Training
- Early Career Framework
- National Professional Qualifications
- Appropriate Body Service
- Other opportunities including those through:
  - o Carmel Teacher Training Partnership
  - o Archimedes NE Maths Hub
  - o Science Learning Partnership
  - o NCCE Computing Hub
  - o Behaviour Hub

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

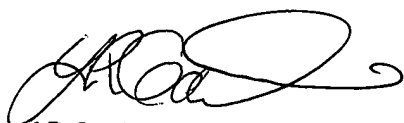
The Academy Trust does not hold any funds held as Custodian Trustee on behalf of others.

**Auditors**

Insofar as the Directors are aware:

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

The Directors' Report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 13 December 2023 and signed on its behalf by:



**Y R Coates**  
Chair

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**GOVERNANCE STATEMENT**

**Scope of responsibility**

As Directors, we acknowledge we have overall responsibility for ensuring that Bishop Hogarth Catholic Education 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 Directors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Directors has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Bishop Hogarth Catholic Education Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 6 times during the year.

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

Director	Meetings attended	Out of a possible
Y R Coates, Chair	6	6
M Matthews (*)	1	6
A M Aisbitt	4	6
E E Bradshaw (*)	1	6
Fr J Butters (resigned 16 March 2023)	1	4
C P Douthwaite (appointed 13 July 2023)	0	0
P M Frank	5	5
A D Mitchell	4	6
S E Monk (appointed 14 September 2022)	4	5
C A Powell	5	6
I M Sebastine (resigned 3 April 2023)	2	4
C R Wiper	4	6

\* = reflects agreed absence on compassionate grounds

The Academy Trust maintains a register which lists for key management personnel (defined as the Members, Directors and Senior Management Team of the Academy Trust), other staff with purchasing influence and members of Local Management Committees any business or personal interest, pecuniary or otherwise, that they, or any member of their immediate family, have which could conflict with the Academy Trust's interests. On their appointment all individuals must complete, sign and return the Register of Interests Questionnaire even if they have no interests to declare. Once a questionnaire has been returned the details are added to the Academy Trust's Register of Interests and is published on its websites. Furthermore, and in line with recognised best practice, the opportunity to declare such an interest appears as a standard agenda item at all meetings of Directors and Local Governing Committees where the current register is included for reference and individuals reminded of their responsibility to inform of any changes to their interests. Where changes are declared then a new questionnaire must be completed and is returned to the Clerk. Where a conflict of interest arises at any point it must be declared, and the register updated.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

**Governance reviews**

The Board of Directors completed the School Resource Management Self-Assessment Tool Checklist in February 2023. The checklist helped the Trust Board to:

- check we have appropriate financial management and governance arrangements
- check we are meeting the right standards to achieve a good level of financial health and resource management
- identify areas for change to make sure resources are used to support high-quality teaching and the best education outcomes for pupils

The Board undertook a MAT Governance Self-Evaluation using the National Governance Association's self-evaluation tool for Multi Academy Trusts in February 2023.

The Finance & Resources Committee is a sub-committee of the main Board of Directors. Its purpose is to:

1. assist the decision making of the Board of Directors by enabling more detailed consideration to be given to the best means of fulfilling the Board of Director's responsibility to ensure sound management of the Academy Trust's finances, staffing and resources, including proper planning, monitoring and probity.
2. make appropriate comments and recommendations on such matters to the Board of Directors on a regular basis. Key decisions will be referred to the Board of Directors for ratification.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
C A Powell	2	3
S E Monk (appointed 14 September 2022)	3	3
Y R Coates	3	3
M Matthews (*)	0	3
A M Aisbitt	2	3

\* = reflects agreed absence on compassionate grounds

The Audit & Risk Committee is also a sub-committee of the main Board of Directors. Its purpose is to:

- provide assurance to the Board of Directors on the suitability/adequacy of and effectiveness of the Academy Trust's systems of internal financial control and compliance with its financial systems and operational controls,
- advise the Board on its arrangements for risk management and governance processes, and securing economy, efficiency and effectiveness (value for money) and that the systems are rigorous and constantly reviewed. This assurance extends to the financial controls and risks at individual schools.

Attendance during the year at meetings was as follows:

Director	Meetings attended	Out of a possible
C R Wiper	3	3
M Matthews (*)	0	3
A D Mitchell	2	3
P M Frank	0	3
A M Aisbitt	1	3

\* = reflects agreed absence on compassionate grounds

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**GOVERNANCE STATEMENT (CONTINUED)**

**Review of value for money**

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes 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 Directors where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Appointing a Procurement Manager to develop the Academy Trust's procurement strategy and deliver efficiency savings.
- Overseeing the Academy Trust's Estates and Sustainability Strategy 2023-24 to ensure the largest programme of capital works in the Academy Trust's history was delivered to make the best use of the School Condition Allocation and reserves spent.
- Driving improvements in the Trust's Treasury Management processes to maximise return on investment while continuing to minimise risk to the Academy Trust's cash balances.

**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 Bishop Hogarth Catholic Education Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Directors 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 Directors 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. This process is regularly reviewed by the Board of Directors.

**The risk and control framework**

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

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

The Board of Directors has decided to buy-in an internal audit service from Azets

The internal auditors' role includes giving advice on financial and performing a range of checks on the Academy

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework (continued)**

Trust's financial systems and other systems. In particular, the checks carried out in the current period included work on:

- ESFA, DfE and Local Authority Income
- Trading and Other income
- Cash income
- Purchases and payments
- Petty cash, Expenses, Debit and Credit Card Expenditure
- Payroll
- HR Procedures
- Bank and Cash Management
- Fixed Assets
- Investments
- Corporation Tax
- Accounting for VAT
- Financial Systems and Segregation of Duties
- Month End Procedures and Management Accounts
- ICT and Website Compliance
- Related Parties and Companies House
- Policies and Filing Compliance
- Financial Oversight
- Financial Planning
- Compliance with Delegated Authorities
- Risk Management
- General Data Protection Regulations (GDPR)
- Health and Safety

On a termly basis, the auditor reports to the Board of Directors through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned, with no significant control issues arising as a result of the internal auditor's work.

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**GOVERNANCE STATEMENT (CONTINUED)**


**Review of effectiveness**

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

- the work of the internal auditor
- 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 work of the external auditors;

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

Approved by order of the members of the Board of Directors on 13 December 2023 and signed on their behalf by:



**Y R Coates**  
Director



**M Shorten**  
Accounting Officer



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**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

As accounting officer of Bishop Hogarth Catholic Education Trust I have considered my responsibility to notify the Academy Trust Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy 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 Directors 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 Directors and ESFA.



**M Shorten**  
Accounting Officer  
Date: 13 December 2023

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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

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


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

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

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

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

Approved by order of the members of the Board of Directors on 13 December 2023 and signed on its behalf by:

  
**Y R Coates**  
Chair

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
BISHOP HOGARTH CATHOLIC EDUCATION TRUST**

**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
BISHOP HOGARTH CATHOLIC EDUCATION TRUST (CONTINUED)**

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Directors' Responsibilities, the Directors (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors 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 Directors are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
BISHOP HOGARTH CATHOLIC EDUCATION TRUST (CONTINUED)**

**Auditors' responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Trust. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of noncompliance throughout the audit. We determined the most significant of these to be the regulations set out by the DfE/ESFA. Our audit focuses on financial matters as set out in our regularity opinion. Other key laws and regulations included safeguarding, Health & Safety, GDPR and employment law
- Enquiry of trustees and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF**  
**BISHOP HOGARTH CATHOLIC EDUCATION TRUST (CONTINUED)**

**Use of our report**

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



**Christopher Beaumont BA(Hons) BFP FCA DChA (Senior Statutory Auditor)**  
for and on behalf of  
**Clive Owen LLP**  
Chartered Accountants  
Statutory Auditors  
140 Coniscliffe Road  
Darlington  
Co Durham  
DL3 7RT

Date: 20 December 2023

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BISHOP HOGARTH CATHOLIC EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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

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

**Respective responsibilities of Bishop Hogarth Catholic Education Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Bishop Hogarth Catholic Education Trust's funding agreement with the Secretary of State for Education dated 28 February 2023 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BISHOP  
HOGARTH CATHOLIC EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY  
(CONTINUED)**

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Directors and Accounting Officer setting out responsibilities;  
Obtain formal letters of representation detailing the responsibilities of Directors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;  
Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;  
Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;  
Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

**Conclusion**

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



Reporting Accountant  
Clive Owen LLP

140 Coniscliffe Road  
Darlington  
Co Durham  
DL3 7RT

Date: 20 December 2023



**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

		Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
	Note					
<b>Income from:</b>						
Donations and capital grants:	3					
Other donations and capital grants		139	5	4,579	4,723	(5,297)
Other trading activities		2,322	-	-	2,322	1,716
Investments	6	453	-	-	453	16
Charitable activities:						
Funding for the academy trust's educational operations		2,625	77,854	-	80,479	73,550
Teaching school hub		-	426	-	426	586
<b>Total income</b>		<b>5,539</b>	<b>78,285</b>	<b>4,579</b>	<b>88,403</b>	<b>70,571</b>
<b>Expenditure on:</b>						
Charitable activities		5,231	77,467	2,370	85,068	76,677
<b>Total expenditure</b>		<b>5,231</b>	<b>77,467</b>	<b>2,370</b>	<b>85,068</b>	<b>76,677</b>
<b>Net income/(expenditure)</b>		<b>308</b>	<b>818</b>	<b>2,209</b>	<b>3,335</b>	<b>(6,106)</b>
Transfers between funds	18	-	(4,663)	4,663	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>308</b>	<b>(3,845)</b>	<b>6,872</b>	<b>3,335</b>	<b>(6,106)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains on defined benefit pension schemes	26	-	9,536	-	9,536	40,238
Asset ceiling restriction		-	(4,203)	-	(4,203)	-
<b>Net movement in funds</b>		<b>308</b>	<b>1,488</b>	<b>6,872</b>	<b>8,668</b>	<b>34,132</b>

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Note					
<b>Reconciliation of funds:</b>					
Total funds brought forward	13,167	(818)	48,453	60,802	26,670
Net movement in funds	308	1,488	6,872	8,668	34,132
<b>Total funds carried forward</b>	<u>13,475</u>	<u>670</u>	<u>55,325</u>	<u>69,470</u>	<u>60,802</u>

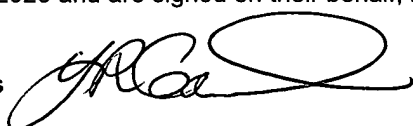
**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07808732**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Tangible assets	14	50,608	44,357
		<u>50,608</u>	<u>44,357</u>
<b>Current assets</b>			
Debtors	15	5,189	3,986
Cash at bank and in hand		22,740	25,048
		<u>27,929</u>	<u>29,034</u>
Creditors: amounts falling due within one year	16	(6,325)	(5,749)
<b>Net current assets</b>		<u>21,604</u>	<u>23,285</u>
<b>Total assets less current liabilities</b>		<u>72,212</u>	<u>67,642</u>
Creditors: amounts falling due after more than one year	17	(53)	(68)
<b>Net assets excluding pension liability</b>		<u>72,159</u>	<u>67,574</u>
Defined benefit pension scheme liability	26	(2,689)	(6,772)
<b>Total net assets</b>		<u><u>69,470</u></u>	<u><u>60,802</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	55,325	48,453
Restricted income funds	18	3,359	5,954
		<u>58,684</u>	<u>54,407</u>
Restricted funds excluding pension asset	18	58,684	54,407
Pension reserve	18	(2,689)	(6,772)
<b>Total restricted funds</b>	18	<u>55,995</u>	<u>47,635</u>
<b>Unrestricted income funds</b>	18	<u>13,475</u>	<u>13,167</u>
<b>Total funds</b>		<u><u>69,470</u></u>	<u><u>60,802</u></u>

The financial statements on pages 31 to 72 were approved by the Directors, and authorised for issue on 13 December 2023 and are signed on their behalf, by:

**Y R Coates**  
Chair



**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	2023 £000	2022 £000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	1,295	6,547
<b>Cash flows from investing activities</b>	22	(3,589)	(146)
<b>Cash flows from financing activities</b>	21	(14)	(14)
<b>Change in cash and cash equivalents in the year</b>		(2,308)	6,387
Cash and cash equivalents at the beginning of the year		25,048	18,661
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<u>22,740</u>	<u>25,048</u>

The notes on pages 35 to 72 form part of these financial statements

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (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.

**1.2 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 Directors.

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

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

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

**1.3 Consolidated accounts**

The trust has not prepared consolidated financial statements as the results of the subsidiary, Bishop Hogarth Services Limited, are not considered material to the financial statements.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.4 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.

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **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 a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

• **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 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 'Income from Donations and Capital Grants' to the net assets acquired.

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

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**1. Accounting policies (continued)**

**1.5 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 charitable activities are costs incurred on the Multi Academy Trust's educational operations, including support costs and those costs relating to the governance of the Multi Academy Trust appointed to charitable activities.

- **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.

**1.6 Going concern**

The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Directors 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.

**1.7 Tangible fixed assets**

All assets costing £1,000 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

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

**1. Accounting policies (continued)**

**1.7 Tangible fixed assets (continued)**

Leasehold improvements	- between 10-50 years straight line
Leasehold land	- over 125 years straight line
Furniture and equipment	- over 5 or 7 years straight line
Computer equipment	- over 3 years straight line
Motor vehicles	- over 4 - 5 years straight line

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 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.

**1.8 Operating leases**

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

**1.9 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.

**1.10 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the multi academy trust; this is normally upon notification of the interest paid or payable by the bank.

**1.11 Debtors**

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

**1.12 Cash at bank and in hand**

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



**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**1. Accounting policies (continued)**

**1.13 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**1.14 Liabilities and provisions**

Liabilities and provisions 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 multi academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions 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.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**1. Accounting policies (continued)**

**1.15 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. 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 to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

**1.16 Agency arrangements**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds.

The Academy Trust acts as an agent in distributing Carmel Teacher Training Partnership bursary funds from the Department for Education. Payments received from the Department for Education and subsequent disbursements to trainee teachers are excluded from the Statement of Financial Activities as the trust does not have control over the charitable application of the funds.

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**2. Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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. In the current year the actuary has made assumptions to estimate the liability associated with McCloud Sargeant (McCloud) and GMP Indexation and Equalisation (GMP).

The original Local Government Pension scheme valuation showed an asset of £4,203,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the trust. As a result, the Directors have considered the potential benefits to the trust. On the basis that the future value of employer contributions in respect of future service cost £1,390,000 does not exceed the employer future service costs £1,468,000 combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the Directors have decided to include the pension asset at £NIL.

Depreciation - Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £2,370,000.

Critical areas of judgement:

Land – Land is held under a 125 year lease from Darlington Borough Council, Stockton-on-Tees Borough Council, Hartlepool Borough Council, and Durham County Council. These assets are included on the balance sheet of the academy due to the significant risks and rewards of ownership belonging to the academy, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy could use them without major modification.

Land transferred on conversion has been valued using insurance valuations provided for each academy and a percentage applied based on ESFA valuations received for existing academies within the Academy Trust.

The Academy Trust buildings are owned by the Diocese of Hexham and Newcastle. The Academy Trust occupies the buildings under a mere licence. The licence delegates aspects of the management of the buildings to the Academy Trust for the time being, but does not vest any rights over the buildings to the academy trust. The Diocese of Hexham and Newcastle has given an undertaking to the Secretary of State that they will not give academy trust less than two years notice to terminate the occupation of the buildings. Having considered the factual matrix under which the Academy Trust is occupying the buildings the Directors have concluded that the value of the buildings occupied by the Academy Trust at the date of conversion to an academy will not be recognised on the balance sheet of the Academy Trust. In addition, whilst the occupation constitutes a donation in kind to the Academy Trust, the Directors consider that the cost of obtaining a valuation for such a donation outweighs the expense and therefore no such donation

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**2. Critical accounting estimates and areas of judgement (continued)**

and related expense are included in the Statement of Financial Activities. Additions since conversion funded by grant bids or from GAG have been capitalised as leasehold improvements and written off over their economic life.

Goodwin - The case related to male spouse or civil partner of a female member is treated in the same way as a same-sex spouse or civil partner. Survivor benefits will be calculated using service from 1 April 1972, or 6 April 1978 if the marriage or civil partnership took place after the last day of pensionable service. This change will apply for deaths in respect of female members which occurred from 5 December 2005, which is the date that same-sex civil partnerships were introduced. This case was brought against the Teachers' Pension Scheme. Actuaries have estimated that the impact of Goodwin indexation to be less than 0.1% of total liabilities. Based on this estimate it would increase liabilities by £56,000 which has been assessed to be immaterial to the financial statements.

**3. Income from donations and capital grants**

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
<b>Donations</b>					
Transfer From Local Authority on conversion	-	-	-	-	(8,586)
	-	-	-	-	(8,586)
Donations	139	5	-	144	109
Capital Grants	-	-	4,579	4,579	3,180
<b>Subtotal</b>	139	5	4,579	4,723	3,289
	139	5	4,579	4,723	(5,297)
<b>Total 2022</b>	1,089	(10,247)	3,861	(5,297)	

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**4. Funding for the Academy Trust's educational operations**

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
<b>Academy's educational operations</b>				
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	62,807	62,807	59,077
Other DfE/ESFA grants				
Pupil Premium	-	3,632	3,632	3,169
PE and Sport Premium	-	528	528	447
UIFSM	-	727	727	605
Rates	-	301	301	301
Teachers' pay grant	-	31	31	83
Teachers' pension grant	-	227	227	236
Other DfE Group grants	-	1,390	1,390	1,685
Supplementary funding	-	1,801	1,801	752
MSAG funding	-	901	901	-
	-	72,345	72,345	66,355
<b>Other Government grants</b>				
SEN	-	1,243	1,243	1,079
Early Years Funding	-	2,196	2,196	2,229
Local Authority grants	-	1,046	1,046	809
Other Government grants	-	382	382	52
	-	4,867	4,867	4,169
<b>Other income from the Academy Trust's academy's educational operations</b>	2,625	31	2,656	2,411
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Other DfE/ESFA COVID-19 funding	-	611	611	615
	-	611	611	615
	2,625	77,854	80,479	73,550
Teaching school - DfE/ESFA grants	-	-	-	66
Teaching school - Other Income	-	426	426	520
	-	426	426	586

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

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

	2,625	78,280	80,905	74,136
	<u>2,404</u>	<u>71,732</u>	<u>74,136</u>	
Total 2022				

**5. Income from other trading activities**

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from facilities and services	977	977	1,122
Non student catering income	42	42	21
Rental and lettings income	9	9	10
Receipts from supply teacher insurance claims	801	801	330
RPA claims	140	140	-
Other	353	353	233
	<u>2,322</u>	<u>2,322</u>	<u>1,716</u>
Total 2022	<u>1,716</u>	<u>1,716</u>	

**6. Investment income**

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Bank interest	453	453	16
Total 2022	<u>16</u>	<u>16</u>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Expenditure**

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Academy's educational operations:					
Direct costs	55,136	-	6,203	61,339	56,760
Allocated support costs	9,724	7,828	5,871	23,423	19,427
Direct costs- Teaching school hub:					
Direct costs	162	-	139	301	431
Allocated support costs	-	-	5	5	59
	<u>65,022</u>	<u>7,828</u>	<u>12,218</u>	<u>85,068</u>	<u>76,677</u>
Total 2022	<u>60,272</u>	<u>5,870</u>	<u>10,535</u>	<u>76,677</u>	

In 2023 of the total expenditure, £2,809,000 (2022: £Nil) was to unrestricted funds and £79,837,000 (2022: £76,677,000) was to restricted funds.

There were no individual transactions exceeding £5,000 for:

- Gifts made by the academy
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

There were no ex-gratia payments in the year.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Analysis of expenditure by activities**

	Direct costs 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Academy's educational operations	61,339	23,423	84,762	76,187
Teaching hub & SCITT	301	5	306	490
	<u>61,640</u>	<u>23,428</u>	<u>85,068</u>	<u>76,677</u>
Total 2022	<u>57,191</u>	<u>19,486</u>	<u>76,677</u>	

**Analysis of direct costs**

	Academy's educational operations 2023 £000	Teaching School hub 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Staff costs	55,136	162	55,298	51,836
Educational supplies	3,451	139	3,590	2,938
Examination fees	598	-	598	479
Staff development	242	-	242	322
Technology costs	466	-	466	370
Educational consultancy	574	-	574	453
Staff expenses	48	-	48	34
Supply insurance	684	-	684	428
Other costs	140	-	140	331
	<u>61,339</u>	<u>301</u>	<u>61,640</u>	<u>57,191</u>
Total 2022	<u>56,760</u>	<u>431</u>	<u>57,191</u>	



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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Academy's educational operations 2023 £000	Teaching School hub 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Net interest on pension scheme	262	-	262	606
Staff costs	9,724	-	9,724	8,436
Depreciation	2,370	-	2,370	1,870
Staff development	6	-	6	5
Technology costs	840	-	840	600
Staff expenses	98	3	101	60
Transport	53	-	53	51
Maintenance of premises	1,090	-	1,090	754
Cleaning	722	-	722	675
Other premises costs	822	-	822	573
Energy	2,206	-	2,206	1,367
Rent and rates	293	-	293	301
Insurance	284	-	284	291
Operating lease rentals	71	-	71	43
Catering	2,659	-	2,659	2,142
Legal costs - conversion	-	-	-	84
Legal costs - other	359	-	359	384
Security	58	-	58	37
Other costs	1,441	2	1,443	1,126
Governance costs	65	-	65	81
	<u>23,423</u>	<u>5</u>	<u>23,428</u>	<u>19,486</u>
Total 2022	<u>19,427</u>	<u>59</u>	<u>19,486</u>	

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	71	43
Depreciation of tangible fixed assets	2,370	1,870
Fees paid to auditors for:		
- audit	35	38
- other services	4	11
	<u>4</u>	<u>11</u>

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2023 £000	2022 £000
Wages and salaries	47,337	42,138
Social security costs	4,804	4,358
Operating costs of defined benefit pension schemes	11,137	12,933
	<u>63,278</u>	<u>59,429</u>
Agency staff costs	1,709	763
Staff restructuring costs	35	80
	<u>65,022</u>	<u>60,272</u>

Included in operating costs of defined pension schemes is a debit of £988,000 (2022: £3,899,000) relating to the pension deficit actuarial adjustment.

Staff restructuring costs comprise:

	2023 £000	2022 £000
Severance payments	35	80
	<u>35</u>	<u>80</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. Staff (continued)**

**b. Severance payments**

The Academy Trust paid £35,000 severance payments in the year (2022 - £80,000), disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	4	5
£25,001 - £50,000	-	1
	<u>4</u>	<u>1</u>

**c. Special staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2022: £8,000).

**d. Staff numbers**

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

	2023 No.	2022 No.
Leadership	38	37
Teachers	725	698
Education and Administration Support, including premises, cleaning and catering	961	888
	<u>1,724</u>	<u>1,623</u>

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**10. Staff (continued)**

**e. Higher paid staff**

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	31	27
In the band £70,001 - £80,000	29	13
In the band £80,001 - £90,000	3	3
In the band £90,001 - £100,000	4	3
In the band £100,001 - £110,000	1	1
In the band £110,001 - £120,000	-	1
In the band £130,001 - £140,000	-	1
In the band £160,001 - £170,000	1	-
In the band £200,001 - £210,000	-	1

**f. Key management personnel**

The key management personnel of the Academy Trust comprise the Directors 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 £837,000 for 8 staff (2022: £713,000 for 5 staff).

**11. Directors' remuneration and expenses**

During the year, no Directors received any remuneration or other benefits (2022 - £NIL).

During the year, no Directors received any benefits in kind (2022 : £NIL).

During the year ended 31 August 2023, no Director expenses have been incurred (2022 - £NIL).

**12. Directors' and Officers' insurance**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £10,000,000. It is not possible to quantify the Directors and officers indemnity element from the overall cost of the RPA scheme.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Central services**

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

- Leadership and business management;
- Standards and data;
- Finance and governance.

The Academy Trust charges for these services on the following basis:

- Pupil numbers;
- The phases provided by the academy (including nursery and sixth form);
- The overall budget of the academy

The Academy Trust provides support in relation to all its schools. This includes support from the MAT SLT and other teaching staff, as well as the finance and administrative teams at Carmel College. The Academy Trust also employs a Finance Manager, Governance Manager, Data Manager, HR & Payroll Manager, IT Manager, Catering Manager and Family Support and Attendance Lead who work across the MAT.

The actual amounts charged during the year were as follows:

	2023 £000	2022 £000
Carmel College, Darlington	375	363
English Martyrs, Hartlepool	437	421
Our Lady & St Bede, Stockton	305	293
St John's, Bishop Auckland	391	378
St Michael's, Billingham	305	294
Blessed John Duckett, Tow Law	4	2
Holy Family, Darlington	44	42
Holy Rosary, Billingham	47	45
Our Lady & St Thomas, Willington	6	6
Sacred Heart, Hartlepool	93	89
St Augustine's, Darlington	43	40
St Bede's, Darlington	70	68
St Bede's, Stockton	54	51
St Bega's, Hartlepool	45	41
St Chad's, Witton Park	5	4
St Charles', Tudhoe	53	46
St Cuthbert's, Crook	40	5
St Cuthbert's, Hartlepool	57	56
St Cuthbert's, Stockton	53	49
St Gregory's, Stockton	55	52
St John the Evangelist, Billingham	43	44
St John Vianney, Hartlepool	73	7
St Joseph's, Billingham	44	48
St Joseph's, Coundon	6	31
St Joseph's, Hartlepool	6	32

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**13. Central services (continued)**

St Joseph's, Newton Aycliffe	7	29
St Joseph's, Norton	61	63
St Mary's, Barnard Castle	4	1
St Mary's, Newton Aycliffe	43	6
St Patrick's, Stockton	62	56
St Paul's, Billingham	49	48
St Teresa's, Darlington	76	73
St Teresa's, Hartlepool	71	69
St Wilfrid's, Bishop Auckland	56	20
St William's, Trimdon	7	7
<b>Total</b>	<u>3,090</u>	<u>2,879</u>

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

	Leasehold improve- ments £000	Leasehold land £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
<b>Cost</b>						
At 1 September 2022	40,858	5,045	2,422	3,776	305	52,406
Additions	6,134	-	882	1,562	43	8,621
At 31 August 2023	46,992	5,045	3,304	5,338	348	61,027
<b>Depreciation</b>						
At 1 September 2022	3,665	203	1,294	2,759	128	8,049
Charge for the year	1,301	44	327	648	50	2,370
At 31 August 2023	4,966	247	1,621	3,407	178	10,419
<b>Net book value</b>						
At 31 August 2023	42,026	4,798	1,683	1,931	170	50,608
At 31 August 2022	37,193	4,842	1,128	1,017	177	44,357

**15. Debtors**

	2023 £000	2022 £000
Trade debtors	662	550
Other debtors	25	84
Prepayments and accrued income	3,587	2,839
VAT repayable	915	513
	5,189	3,986

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

**16. Creditors: Amounts falling due within one year**

	2023 £000	2022 £000
Other loans	13	14
Trade creditors	2,602	2,357
Other creditors	466	235
Accruals and deferred income	3,244	3,143
	<u>6,325</u>	<u>5,749</u>
	<u><u>6,325</u></u>	<u><u>5,749</u></u>
	2023 £000	2022 £000
Deferred income at 1 September 2022	1,089	666
Resources deferred during the year	1,292	1,089
Amounts released from previous periods	(1,089)	(666)
	<u>1,292</u>	<u>1,089</u>
<b>Deferred income at 31 August 2023</b>	<u><u>1,292</u></u>	<u><u>1,089</u></u>

Deferred income includes Universal Infant Free School Meals income, Rates Relief and transport income received in advance, and school trips income which straddles the academic year end.

**17. Creditors: Amounts falling due after more than one year**

	2023 £000	2022 £000
Other loans	53	68
	<u>53</u>	<u>68</u>

Included within other creditors is a loan of £66,000 (2022: £82,000) from the ESFA which is provided on the following terms:

Interest free loan repayable over 7 years.



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

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
<b>Unrestricted funds</b>						
Unrestricted general funds	6,181	5,539	(2,809)	-	-	8,911
Designated capital fund	6,986	-	(2,422)	-	-	4,564
	<u>13,167</u>	<u>5,539</u>	<u>(5,231)</u>	<u>-</u>	<u>-</u>	<u>13,475</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	5,757	62,807	(60,744)	(4,663)	-	3,157
Pupil Premium	-	3,632	(3,632)	-	-	-
Other DfE/ESFA grants	-	5,906	(5,906)	-	-	-
SEN	-	1,243	(1,243)	-	-	-
Other Government grants	-	3,624	(3,624)	-	-	-
Other Covid-19 funding	-	611	(611)	-	-	-
Other	-	31	(31)	-	-	-
Carmel Bursary Fund	95	5	-	-	-	100
CET University Bursary	15	-	-	-	-	15
Other grants	87	-	-	-	-	87
Teaching school income	-	426	(426)	-	-	-
Pension reserve	(6,772)	-	(1,250)	-	5,333	(2,689)
	<u>(818)</u>	<u>78,285</u>	<u>(77,467)</u>	<u>(4,663)</u>	<u>5,333</u>	<u>670</u>

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

**18. Statement of funds (continued)**

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
<b>Restricted fixed asset funds</b>						
Devolved Formula Capital	1,288	319	(509)	712	-	1,810
Academy Capital Maintenance Fund	1,712	-	(97)	-	-	1,615
Capital expenditure from GAG	4,508	-	(576)	3,859	-	7,791
Legacy assets	5,823	-	(116)	-	-	5,707
Donations	20,049	-	(451)	-	-	19,598
Energy Eff. DFC	-	670	(1)	-	-	669
Condition Improvement Fund	2,206	-	(118)	-	-	2,088
Local authority grants	5,198	-	(219)	-	-	4,979
Other DfE/ESFA capital grants	334	-	(13)	-	-	321
SCA funding	6,770	2,382	(221)	-	-	8,931
Other capital funds	259	5	(16)	-	-	248
Carmel College Development Fund	119	-	(5)	-	-	114
3G maintenance fund	148	-	-	40	-	188
Connect the Classroom	-	309	(16)	-	-	293
Other government grants	39	471	(11)	-	-	499
RPA	-	423	(1)	52	-	474
	<u>48,453</u>	<u>4,579</u>	<u>(2,370)</u>	<u>4,663</u>	<u>-</u>	<u>55,325</u>
<b>Total Restricted funds</b>	<u>47,635</u>	<u>82,864</u>	<u>(79,837)</u>	<u>-</u>	<u>5,333</u>	<u>55,995</u>
<b>Total funds</b>	<u>60,802</u>	<u>88,403</u>	<u>(85,068)</u>	<u>-</u>	<u>5,333</u>	<u>69,470</u>

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**18. Statement of funds (continued)**

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

The General Annual Grant (GAG) must be used for the normal running of the academy including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Universal Infant Free School Meals (included within Other DfE/ESFA Grants) is funding to provide a free school lunch to all pupils in reception, year 1 and year 2.

Other DfE/ESFA Grants also includes the PE and sport premium grant, rates relief, teachers' pay grant and teachers' pension grant.

Other Government grants include Early Years funding for three and four year old children, funding for pupils with Special Educational Needs and other income from the local authority.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 26.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

A transfer of £4,663,000 has been made to capital expenditure from GAG to reflect those items included within fixed assets which have been purchased using GAG monies.

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

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

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
<b>Unrestricted funds</b>						
Unrestricted general funds	7,942	5,225	-	(6,986)	-	6,181
Designated capital fund	-	-	-	6,986	-	6,986
	<u>7,942</u>	<u>5,225</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,167</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	6,528	59,077	(57,647)	(2,201)	-	5,757
Pupil Premium	-	3,169	(3,169)	-	-	-
Other DfE/ESFA grants	-	4,109	(4,109)	-	-	-
SEN	-	1,079	(1,079)	-	-	-
Other Government grants	-	3,090	(3,090)	-	-	-
Other Covid-19 funding	-	615	(615)	-	-	-
Carmel Bursary Fund	-	95	-	-	-	95
Other	-	7	(7)	-	-	-
CET University Bursary	15	-	-	-	-	15
Other grants	87	-	-	-	-	87
Teaching school income	-	33	(33)	-	-	-
Pension reserve	(32,163)	(10,342)	(4,505)	-	40,238	(6,772)
	<u>(25,533)</u>	<u>60,932</u>	<u>(74,254)</u>	<u>(2,201)</u>	<u>40,238</u>	<u>(818)</u>

**BISHOP HOGARTH CATHOLIC EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**18. Statement of funds (continued)**

**Restricted fixed  
asset funds**

Devolved Formula Capital	1,251	363	(285)	(41)	-	1,288
Academy Capital Maintenance Fund	1,814	-	(102)	-	-	1,712
Capital expenditure from GAG	2,749	-	(405)	2,164	-	4,508
Legacy assets	5,273	681	(131)	-	-	5,823
Donations	20,521	-	(472)	-	-	20,049
Condition Improvement Fund	2,326	-	(120)	-	-	2,206
Local authority grants	5,366	14	(182)	-	-	5,198
Other DfE/ESFA capital grants	360	-	(26)	-	-	334
SCA funding	4,178	2,726	(134)	-	-	6,770
Other capital funds	190	38	(7)	38	-	259
Carmel College Development Fund	125	-	(6)	-	-	119
3G maintenance fund	108	-	-	40	-	148
Other government grants	-	39	-	-	-	39
	<u>44,261</u>	<u>3,861</u>	<u>(1,870)</u>	<u>2,201</u>	<u>-</u>	<u>48,453</u>
<b>Total Restricted funds</b>	<u>18,728</u>	<u>64,793</u>	<u>(76,124)</u>	<u>-</u>	<u>40,238</u>	<u>47,635</u>
<b>Total funds</b>	<u><u>26,670</u></u>	<u><u>70,018</u></u>	<u><u>(76,124)</u></u>	<u><u>-</u></u>	<u><u>40,238</u></u>	<u><u>60,802</u></u>

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**18. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	2022 £000
Carmel College, Darlington	3,405	4,022
English Martyrs, Hartlepool	1,653	2,001
Our Lady & St Bede, Stockton	1,532	2,743
St John's, Bishop Auckland	1,641	1,813
St Michael's, Billingham	1,845	1,448
Blessed John Duckett, Tow Law	102	92
Holy Family, Darlington	253	306
Holy Rosary, Billingham	292	246
Our Lady & St Thomas, Willington	57	41
Sacred Heart, Hartlepool	49	94
St Augustine's, Darlington	17	62
St Bede's, Darlington	611	603
St Bede's, Stockton	96	178
St Bega's, Hartlepool	59	124
St Chad's, Witton Park	63	131
St Charles', Tudhoe	188	98
St Cuthbert's, Crook	63	58
St Cuthbert's, Hartlepool	(36)	131
St Cuthbert's, Stockton	375	266
St Gregory's, Stockton	450	472
St John the Evangelist, Billingham	105	119
St John Vianney, Hartlepool	163	240
St Joseph's, Billingham	283	259
St Joseph's, Coundon	135	104
St Joseph's, Hartlepool	238	234
St Joseph's, Newton Aycliffe	77	101
St Joseph's, Norton	453	432
St Mary's, Barnard Castle	71	105
St Mary's, Newton Aycliffe	80	196
St Patrick's, Stockton	157	165
St Paul's, Billingham	108	158
St Teresa's, Darlington	219	255
St Teresa's, Hartlepool	113	227
St Wilfrid's, Bishop Auckland	220	214
St William's, Trimdon	161	208
Bishop Hogarth Catholic Education Trust	1,536	1,175
Total before fixed asset funds and pension reserve	16,834	19,121

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**18. Statement of funds (continued)**

	2023 £000	2022 £000
Restricted fixed asset fund	55,325	48,453
Pension reserve	(2,689)	(6,772)
<b>Total</b>	<u>69,470</u>	<u>60,802</u>

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £000
St Cuthbert's, Hartlepool	<u>(36)</u>

Key reasons for the deficit position at St Cuthbert's Hartlepool include higher than expected 22-23 teacher pay awards costs being for the whole year, but Maintained Schools Additional Grant funding only being for 5 months of the year and pupil number challenges.

The Academy Trust is taking the following action to return the academy to surplus:

The trust is supporting St Cuthbert's with a recovery plan.

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**18. Statement of funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Carmel College, Darlington	6,198	1,087	781	1,620	9,686	9,486
English Martyrs, Hartlepool	6,818	811	373	1,836	9,838	8,538
Our Lady & St Bede, Stockton	4,957	586	265	1,432	7,240	5,911
St John's, Bishop Auckland	5,895	942	255	1,606	8,698	8,187
St Michael's, Billingham	4,466	594	222	1,269	6,551	5,684
Blessed John Duckett, Tow Law	691	162	27	143	1,023	902
Holy Family, Darlington	752	171	46	159	1,128	999
St Augustine's RC Primary School	743	169	29	189	1,130	965
Our Lady & St Thomas, Willington	1,104	192	92	231	1,619	1,371
Sacred Heart, Hartlepool	890	161	73	219	1,343	1,183
St Augustine's, Darlington	833	171	43	214	1,261	1,159
St Bede's, Darlington	719	110	35	189	1,053	1,006
St Bede's, Stockton	819	136	35	163	1,153	1,098
St Bega's, Hartlepool	468	140	47	127	782	807
St Chad's, Witton Park	947	196	49	214	1,406	1,301
St Charles', Tudhoe	912	112	42	191	1,257	1,161
St Cuthbert's, Crook	1,279	221	65	216	1,781	1,683



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**18. Statement of funds (continued)**

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
St Cuthbert's, Hartlepool	545	112	34	115	806	722
St Cuthbert's, Stockton	1,480	191	80	390	2,141	2,029
St Gregory's, Stockton	745	81	27	229	1,082	970
St John the Evangelist, Billingham	408	87	27	81	603	519
St John Vianney, Hartlepool	475	78	46	163	762	715
St Joseph's, Billingham	1,213	154	67	337	1,771	1,618
St Joseph's, Coundon	1,029	102	43	256	1,430	1,324
St Joseph's, Hartlepool	876	68	39	221	1,204	1,119
St Joseph's, Newton Aycliffe	968	142	63	285	1,458	1,308
St Joseph's, Norton	542	145	43	87	817	722
St Mary's, Barnard Castle	804	183	50	143	1,180	1,075
St Mary's, Newton Aycliffe	571	106	42	113	832	766
St Patrick's, Stockton	1,516	432	30	307	2,285	1,548
St Paul's, Billingham	908	216	90	137	1,351	738
St Teresa's, Darlington	328	81	25	66	500	287
St Teresa's, Hartlepool	669	201	39	159	1,068	333
St Wilfrid's, Bishop Auckland	423	98	31	79	631	183
St William's, Trimdon	797	101	49	219	1,166	323
Bishop Hogarth Catholic Education Trust	2,345	1,188	17	808	4,358	7,067
Teaching School	162	-	137	5	304	-

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**18. Statement of funds (continued)**

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
<b>Academy Trust</b>	<b>55,295</b>	<b>9,727</b>	<b>3,458</b>	<b>14,218</b>	<b>82,698</b>	<b>74,807</b>

**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	50,608	50,608
Current assets	13,475	9,670	4,784	27,929
Creditors due within one year	-	(6,311)	(14)	(6,325)
Creditors due in more than one year	-	-	(53)	(53)
Provisions for liabilities and charges	-	(2,689)	-	(2,689)
<b>Total</b>	<b>13,475</b>	<b>670</b>	<b>55,325</b>	<b>69,470</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	44,357	44,357
Current assets	13,435	10,150	5,449	29,034
Creditors due within one year	(268)	(4,196)	(1,285)	(5,749)
Creditors due in more than one year	-	-	(68)	(68)
Provisions for liabilities and charges	-	(6,772)	-	(6,772)
<b>Total</b>	<b>13,167</b>	<b>(818)</b>	<b>48,453</b>	<b>60,802</b>

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

	2023 £000	2022 £000
Net income/(expenditure) for the year (as per Statement of Financial Activities)	3,335	(6,106)
<b>Adjustments for:</b>		
Depreciation	2,370	1,870
Dividends, interest and rents from investments	(453)	(16)
Capital grants from DfE and other capital income	(4,579)	(3,180)
Defined benefit pension scheme obligation inherited on conversion	-	10,342
Defined benefit pension scheme cost less contributions payable	988	3,899
Defined benefit pension scheme finance cost	262	606
Increase in debtors	(1,203)	(1,126)
Increase in creditors	575	2,014
Transfer from local authority on conversion	-	(1,756)
<b>Net cash provided by operating activities</b>	<b>1,295</b>	<b>6,547</b>

**21. Cash flows from financing activities**

	2023 £000	2022 £000
Repayments of borrowing	(14)	(14)
<b>Net cash used in financing activities</b>	<b>(14)</b>	<b>(14)</b>

**22. Cash flows from investing activities**

	2023 £000	2022 £000
Dividends, interest and rents from investments	453	16
Purchase of tangible fixed assets	(8,621)	(3,851)
Capital grants from DfE Group	4,579	3,317
Cash transferred on conversion	-	372
<b>Net cash used in investing activities</b>	<b>(3,589)</b>	<b>(146)</b>

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**23. Analysis of cash and cash equivalents**

	2023 £000	2022 £000
Cash in hand and at bank	22,740	25,048
<b>Total cash and cash equivalents</b>	<u>22,740</u>	<u>25,048</u>

**24. Analysis of changes in net debt**

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	25,048	(2,308)	22,740
Debt due within 1 year	(14)	1	(13)
Debt due after 1 year	(68)	15	(53)
	<u>24,966</u>	<u>(2,292)</u>	<u>22,674</u>

**25. Capital commitments**

	2023 £000	2022 £000
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	<u>3,001</u>	<u>-</u>

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**26. Pension commitments**

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 Durham County Council and Middlesbrough Borough 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.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £7,275,000 (2022 - £6,672,000).

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

Under the definitions set out in 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.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £3,800,000 (2022 - £2,998,000), of which employer's contributions totalled £2,901,000 (2022 - £2,280,000) and employees' contributions totalled £899,000 (2022 - £718,000). The agreed contribution rates for future years are 17.5-19.7% for employers and 5.5-12.5% for employees.

As described in note 1.13 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

The original Local Government Pension scheme valuation showed an asset of £4,203,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the trust. As a result, the Directors have considered the potential benefits to the trust. On the basis that the future value of employer contributions in respect of future service cost £1,390,000 does not exceed the employer future service costs £1,468,000 combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the Directors have decided to include the pension asset at £NIL.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

**Principal actuarial assumptions**

**Durham County Council Pension Fund**

	2023 %	2022 %
Rate of increase in salaries	3.60	3.70
Rate of increase for pensions in payment/inflation	2.60	2.70
Discount rate for scheme liabilities	5.10	4.10
Inflation assumption (CPI)	2.60	2.70
Commutation of pensions to lump sums	85.00	85.00

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

	2023 Years	2022 Years
Retiring today		
Males	21.7	22.1
Females	22.9	24.2
Retiring in 20 years		
Males	23.9	23.2
Females	25.0	25.7

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**26. Pension commitments (continued)**

Teesside Pension Fund

	2023	2022
	%	%
Rate of increase in salaries	4.00	4.05
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	3.00	3.05
Commutation of pensions to lump sums	80.00	80.00

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

	2023	2022
	Years	Years
Retiring today		
Males	20.5	21.7
Females	23.5	23.5
Retiring in 20 years		
Males	21.3	22.9
Females	25.0	25.3

**Sensitivity analysis**

	2023	2022
	£000	£000
Discount rate +0.1%	(1,131)	(1,035)
Discount rate -0.1%	1,131	1,335
Mortality assumption - 1 year increase	(1,743)	(1,945)
Mortality assumption - 1 year decrease	1,743	1,945
CPI rate +0.1%	989	1,152
CPI rate -0.1%	(989)	(1,152)

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**26. Pension commitments (continued)**

**Share of scheme assets**

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

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	34,342	31,111
Government bonds	2,280	2,222
Corporate bonds	2,022	865
Property	8,983	7,041
Cash and other liquid assets	1,712	4,466
Other	4,216	3,893
<b>Total market value of assets</b>	<b>53,555</b>	<b>49,598</b>

The actual return on scheme assets was £1,240,000 (2022 - £3,451,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2023 £000	2022 £000
Current service cost	(3,889)	(6,089)
Interest income	2,135	787
Interest cost	(2,397)	(1,393)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(4,151)</b>	<b>(6,695)</b>

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

	2023 £000	2022 £000
<b>At 1 September</b>	<b>56,370</b>	<b>74,118</b>
Transferred in on existing academies joining the trust	-	10,604
Current service cost	3,889	6,089
Interest cost	2,397	1,393
Employee contributions	899	697
Actuarial gains	(10,431)	(35,959)
Benefits paid	(1,083)	(572)
Asset ceiling restriction	4,203	-
<b>At 31 August</b>	<b>56,244</b>	<b>56,370</b>



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**26. Pension commitments (continued)**

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

	2023 £000	2022 £000
<b>At 1 September</b>	49,598	41,955
Transferred in on existing academies joining the trust	-	262
Interest income	2,135	787
Actuarial (losses)/gains	(895)	4,279
Employer contributions	2,901	2,190
Employee contributions	899	697
Benefits paid	(1,083)	(572)
<b>At 31 August</b>	<u>53,555</u>	<u>49,598</u>

**27. Operating lease commitments**

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

	2023 £000	2022 £000
<b>Amounts payable:</b>		
Within one year	11	14
Between one and five years	3	13
	<u>14</u>	<u>27</u>

**28. Members' liability**

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

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**29. Related party transactions**

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

The following related party transactions took place in the financial period.

**Expenditure Related Party Transactions**

The Diocese of Hexham and Newcastle appoints the members of the Trust. During the year, the Trust purchased £154,000 (2022: £106,000) of services from the Diocese to maintain the Catholic ethos of the Trust. The Trust also made contributions of £287,000 (2022: £90,000) in respect of capital projects funded by the Diocese. At 31 August 2023, there was £1,200 (2022: £3,000) due to the Diocese.