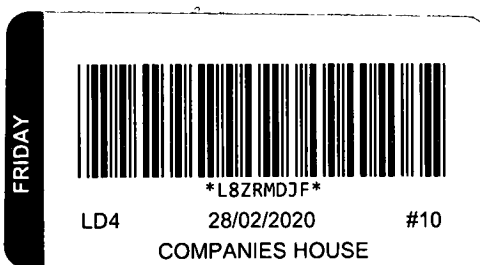


HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019



HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)

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HOLMER GREEN SENIOR SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr David Greenwood (resigned 27 March 2019) Mr Tony Green Mrs Cheryl Whitehead (resigned 27 February 2019) Mrs Sarah Stewart (appointed 11 December 2019) Mrs Emma Starling (appointed 11 December 2019) Mr Ed Hillyard Mr Alan Jones Mrs Lisa Swain
Trustees	Mr Tony Green, Chairman Mrs Sarah Stewart, Vice Chairman (appointed 17 October 2018) Mr David Greenwood Mrs Si Khan (appointed 17 October 2018) Mrs Marianne Selby-Boothroyd (appointed 17 October 2018) Mr Paul Davies (appointed 17 October 2018) Mrs Cheryl Whitehead (resigned 27 February 2019) Mrs Anna Thomas (appointed 3 July 2019) Mrs Toni Ellis (appointed 27 March 2019) Mr Ed Hillyard, Head Teacher and Accounting Officer Mrs Helen Jones (appointed 10 June 2019) Mr Jim Leftwich Mrs Emma Starling Mr Alan Jones Mr Scott Barrett Mrs Diane Deanus (resigned 23 April 2019) Mrs Lisa Swain Mr Steve Pilgrim Miss Emma Baddeley (now Ginger), Staff Trustee Miss Jacqui Kirkpatrick, Staff Trustee Ms Lorraine Allen, Staff Trustee (appointed 11 March 2019) Miss Fiona Kiss, Staff Trustee
Company registered number	07827237
Company name	Holmer Green Senior School
Principal and registered office	Parish Piece Holmer Green High Wycombe Bucks HP15 6SP
Company secretary	Mrs Lynda Jackson
Chief executive officer	Mr Ed Hillyard
Senior management team	Mr Ed Hillyard, Headteacher Mr Peter Tang, Deputy Headteacher Mrs Annie Hearne, Assistant Headteacher Mrs Rachel Golding, Assistant Headteacher Mrs Chand Douglas, Assistant Headteacher

HOLMER GREEN SENIOR SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Mrs Claire Hawkins, Assistant Headteacher
Miss Kim Joynson, Assistant Headteacher
Mrs Kerry Stone, Assistant Headteacher
Mr Alan Wooller, Assistant Headteacher
Lynda Jackson, Director of Finance, HR and Resources

Independent auditors

Landau Baker Limited
Mountcliff House
154 Brent Street
London
NW4 2DR

Bankers

Lloyds Bank
25 Gresham Street
London
EC2V 7HN

Solicitors

Veale, Wasborough, Vizards
Barnards Inn
86 Fetter Lane
London
EC4A 1AD

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period year end to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 19 serving a catchment area in and around Holmer Green. It has a pupil capacity of 960 and had a roll of 953 in the school census on 3 October 2019.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Holmer Green Senior School Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Holmer Green Senior School Academy.

Details of the trustees who served during the period are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Subject to the provisions of the Companies Act, every governor or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

Method of Recruitment and Appointment or Election of Trustees

The management of the academy is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- o The Head Teacher
- o Up to 5 parent governors, appointed by the parents
- o Up to 11 community governors, appointed by the governors
- o Up to 4 staff governors appointed by the staff, provided that the maximum number of staff governors does not exceed one third of the total number of governors
- o Any governors appointed by the Secretary of State for Education

The term of office for any governor is 4 years. The Head Teacher's term of office runs parallel with his/her term of appointment. Subject to remaining eligible to be a particular type of governor, any governor may be reappointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new governors will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new governors are given a tour of the academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy.

Organisational Structure

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the governors and the executive who are the senior leadership team.

The governing body has considered its role thoughtfully and decided that the role of the governors is to approve

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The governing body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The Head Teacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments.

The Head Teacher assumes the accounting officer role.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of key management personnel is determined by the Headteacher in consultation with the governing body, taking into account a variety of contributory factors such as: role and responsibilities, market factors, and results of the annual performance review process, including performance against agreed objectives. Pay recommendations are discussed by the People and Personnel committee and recommendations are made to Governors. The pay and remuneration of the Headteacher is determined by the Chair of Governors and the Headteacher's Performance Review Committee.

Related Parties and other Connected Charities and Organisations

The academy is the founding member of the Holmer Green Senior School Academy Trust which is a separate Trust where Holmer Green Senior School Academy is the only member. The Trust undertakes educational support activities.

In addition to the governors of the academy, Holmer Green Senior School Trust (Charity number 1051142) and the Holmer Green Senior School Parents and Friends Association (Charity number 1152695) are also related parties of the academy. Some of the governors of the academy are also Trustees of the Trust and the Parents and Friends Association raises funds for the Holmer Green Senior School Academy Trust.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and Activities

Objects and Aims

The principal object and activity of the academy is the operation of Holmer Green Senior School Academy to provide a broad and balanced education for pupils of all abilities in the Holmer Green area. The governors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

In accordance with the articles of association, the academy has adopted a "Scheme of Governance" approved by the Secretary of State for Education.

The Scheme of Governance specifies, amongst other things, that the Academy will be at the heart of the community promoting community cohesion and sharing facilities; the basis for admitting students to the Academy, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN; the basis for charging pupils.

Objectives, Strategies and Activities

The academy has undertaken self-evaluation activities to correctly identify objectives for the next year. These objectives are:

- o To develop more effective relationships between all stakeholders to positively impact on the ethos of the academy and behaviour of pupils within the academy.
- o The academy seeks to develop its approach to creativity & engagement so that this positively impacts on the quality of teaching and learning in the school.
- o The academy will strengthen its accountability structure through a review of the effectiveness of leadership and management. It will achieve this through developing a more effective appraisal framework.
- o Achieve consistently high standards of teaching and learning.
- o Provide local leadership capacity and support.
- o Develop cost effective curriculum design and collaboration which optimises opportunities for pupils and students and provides added value progress for them.
- o The Academy's main strategy is encompassed in the Academy's Aims, which are to develop students who are:
 - o Active Citizens
 - o Prepared for their future
 - o Happy, healthy and safe
 - o Caring individuals
 - o Responsible learners

The Academy's vision is to build an ethos of:

- o Every child is capable of extraordinary achievement.
- o For any child to realise their inner potential they need an environment and adult role models that support their love and enjoyment of learning.
- o Every child has an absolute right to an equal opportunity to flourish in the academy.
- o Our pupils will develop the skills, knowledge and attitudes to realise their own dreams through a positive contribution to their community and wider society.
- o Self-realisation and positive contribution stem from a confidence and strength in one's own identity that allows us to embrace and respect the identity of other individuals and groups in our community and wider society.
- o The long-term well-being of our pupils is dependent on a sustainable economy, society and environment. We need to teach our children to be able to contribute to achieving that sustainability as adults.
- o It is the responsibility of all of the adult staff in Holmer Green Senior School academy to remove the barriers to each individual child's development and create the conditions in which they are able to love and enjoy learning.
- o It is the responsibility of Holmer Green Senior School to reach out and raise and support the aspiration of their community to believe in their children's potential.

The main activities for achieving objectives the academy will undertake will be:

- o Developing a new teaching and learning policy and implementing this effectively.
- o The academy will review and develop its curriculum provision to enhance creativity and engagement.
- o The accountability of the academy will be strengthened by the development of new policies and

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

procedures and implementation of a new self-evaluation framework.

Active Citizens

- o Participate in a range of community activities.
- o Have opportunities for leadership in all Key Stages of their time at the school.
- o Create cultural social and economic links with the local and wider communities.
- o Understand the importance of and contribute to student voice activities.
- o Demonstrate local, national and global social awareness.
- o Demonstrate environmental awareness in school and wider communities.
- o Understand democracy and the importance of voting.
- o Understand that in any society there are limits to individual freedom for the wellbeing of the society as a whole.

Prepared for their future

- o Develop the ability to adapt to change.
- o Develop a broad range of transferable skills.
- o Develop a broad knowledge of the world of work
- o Have real experience of the next Key Stage before making their choices of subjects to study.
- o Have a broad knowledge of post school options to make informed choices.
- o Develop life skills and academic and personal independence.
- o Understand the economic realities of their and others lives and ways to manage financial responsibilities.

Happy, Healthy and Safe

- o Understand the importance of healthy eating for physical and mental wellbeing.
- o Understanding the importance of exercise for physical and mental wellbeing.
- o Act on awareness of healthy lifestyle choices.
- o Take advantage of and enjoy a range of extra-curricular activities.
- o Develop a knowledge of health issues, including sexual, mental and drug related, to enable informed decisions and choices.
- o Safely enjoy new technologies, experiences and environments.

Caring Individuals

- o Respect everyone and welcome differences.
- o Be aware of the consequences of our actions, however small, for ourselves and others.
- o Provide social and academic support for all members of our community.
- o Learn to be good listeners and communicators.
- o Respect other's opinions and beliefs.
- o Respect oneself.

Responsible Learners

- o Recognise that making mistakes is a key part of successful learning and develop perseverance.
- o Enjoy and cultivate a positive approach to, and accept responsibility for their learning.
- o Be able to and enjoy applying knowledge & understanding to a wide range of situations.
- o Work successfully in teams and as individuals.
- o Supported to take responsibility to achieve beyond their potential.
- o Reflect on both achievements and setbacks and learn from their experiences.
- o Think and learn creatively.

Public Benefit

In setting the objectives, the governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

As an academy we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- o Raising money for local, national and international charities.
- o Student contributions to the community e.g. the Attendance at local Remembrance Day Service.
- o Sports Leader programmes that provide sporting activities to local Primary Schools including supporting

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

the Chiltern Area Sports Partnership Festival events which are held at Holmer Green Senior School.

o Modern Foreign Language support of local Primary Schools with the provision of French and Spanish Markets

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic Report
Achievements and Performance

Key Performance Indicators

GCSE Results – 2018/19 overall compared to previous 3 years

Measure	2015/16	2016/17	2017/18	2018/19	National 2019
Progress 8	-0.02	+0.14	+0.52	+0.42	-0.03
Attainment 8	51	46.29	52.69	49.22	44.5
% 5+ English & Maths	n/a	44%	61%	49%	39.8%
% achieving Ebacc (4-9)	25%	22%	27%	20%	
% entering Ebacc	31%	37%	40%	42%	36.5%

2018 KS5 Results Summary
Advanced Level Results

	2016	2017	2018	2019	National 2019
% A* - B	39	58	60%	56%	52
% A* - C	78	87	86%	83%	76
Pass Rate	100%	100%	100%	100%	98
L3VA A Level	+0.1	+0.39	+0.73	+0.32	N/A
L3VA Academic	+0.08	+0.36	+0.72	+0.33	N/A

BTEC Results

	2016	2017	2018	2019
% Di*	93	84	20%	20%
% Di*/Di	100	92	29%	49%
% Di* - Pass	100	100	98%	100%
L3VA Applied General	+1.1	+0.56	-0.25	-0.02

School Absence Data

	2018/19
Authorised	3.8 %
Unauthorised	1.2 %
Total	5.1 %

Holmer Green Senior School remains extremely popular and continues to receive significant oversubscription each year for student places. It is a specialist centre with an additionally resourced provision for SLC and ASD students which supports their learning in the mainstream environment. During the year we work with the Chiltern Area Partnership, which is a group comprising mainly of Junior and Infant schools to promote learning in various subject areas and improve the transition between primary and secondary schools, particularly with respect to curriculum.

Holmer Green Senior School has continually kept an eye on our areas for improvement since our last Ofsted inspection in May 2016. The four areas for improvement, we believe have been dealt with as:

- Disadvantaged students achieved a Progress 8 score of +0.01, well above the national progress figure for that sub-group of -0.44 and Disadvantaged students in the Sixth Form achieved a Level 3 Value Added score of +0.2 which exceeds their Non-Disadvantaged peers.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

- Our High Prior Attaining students achieved the highest Attainment 8 score out of all our sub-groups at 61.74 which indicates our most able learners are being challenged.
- Sixth Form students have achieved Level 3 Value Added scores of +0.32 in 2019 and +0.71 in 2018 indicating that they make significant progress from their starting points.
- Attendance of Sixth Form students is now the highest in the school with year 12 and 13 students achieving attendance in 2018 well above 96%.

Holmer Green Senior School (HGSS) students continue to make incredible progress from their prior starting points. Our top performers have secured the best grades from 7-9, with one student achieving six grade 9s, a superb achievement. In total 41 students secured grade 9s across a variety of subjects including: Religious studies, Art, Maths, English, Sciences. 73% of our students achieved 5 GCSE grades at 9-4 or A*-C including English and Maths. Across the whole school 17% of grades were 9-7 or A*-A, and 33% of all grades were 9-6 or A*-B. Over 20% of grades in Art, Chemistry, Biology and Physics were 9-8 or A* which is an amazing achievement. Over 20% of grades were 9-7 or A*-A grades in Maths, History, PE, Photography and Religious Studies.

At A Level in the academic subjects, 11% of grades were A*, 34% of grades were A*-A, 56% of the grades were A*-B and 83% being A*-C. The overall pass rate at A Level was 100% which is a great year on year achievement. All students achieved their destinations including some phenomenal apprenticeships and prestigious Russell Group universities, such as LSE, Cardiff, Exeter, Manchester, Birmingham and Southampton to study courses like Mathematics, History, PPE and Psychology. In Mathematics, 70% of students achieved A*-A grades. In Art 40% of students, achieved A* grades which is an exceptional achievement, as the course continues to demand novel approaches and creativity.

Not only have HGSS students done well academically, but they have taken up many opportunities to visit other countries, for example, France, USA, Italy and India to name a few and we have a thriving Duke of Edinburgh section with 4 students achieving their Gold Awards. There have been many curriculum changes as well so that our curriculum continues to match the needs of our cohorts including: Oracy and Enterprise skills brought into timetabled lessons, PSHCE is a timetabled lesson, morning reading groups have been introduced at registration time, year 11 AM lectures have been introduced to stretch students beyond the scope of syllabus and improve webs of knowledge and English Mastery is being trialled to remove any gaps our KS3 learners may have. We are keen to see over the forth coming academic year how each of these approaches is evaluated.

Going Concern

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

Financial Review

During the period, ESFA/LA grants received totaled to £4,823,508. Restricted fund expenditure totaled to £4,749,386.

The main source of unrestricted income is Lettings, totaling to £10,131 and rental income from the radio mast totaling £9,500. All these funding streams have been used to maintain the high quality teaching and to enable us to achieve our aim of raising standards year on year of teaching and learning.

Most of the Academy's income is obtained from 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 ESFA during the 12 month period ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of financial activities.

The Academy also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the academy. It should be noted that this does not present the academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Overall, the Academy has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and short term in conjunction with the school development plan and school aims.

The Finance Committee meets four times a year to review the School's financial position and reports to the Full Governing Body.

Money has been spent on maintaining and developing the site to include Health and Safety compliance. This year the school committed its Devolved Formula Capital Grant money to re-design and refurbish the men's staff toilets and the fittings for the Girls Drama toilets.

The school is currently preparing CIF Bids to replace the roofing in the Reception and SLT Office Block and also the original 1933 areas of the school and also to replace the 2 main school boilers which are end of life. The school is also benefitting from an expansion plan with Bucks CC which will see great improvements to facilities across the school. The first stage of these improvements has been delivered in the Summer holidays 2019 and include a new Food Technology Room, new Science Laboratory, the division of a large classroom into 2, a further classroom and new Tennis Courts.

Reserves Policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- o permanent endowment funds
- o expendable endowment funds
- o restricted income funds
- o any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

'Reserves' are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The governors will keep this level of reserves under review at each Board meeting and aim to build and maintain the reserves level by entering into cost effective agreements as noted in Objectives and Activities above, whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £17,180,302. This balance includes unrestricted funds (free reserves) of £228,297, which is considered appropriate for the Academy Trust, and restricted funds of £19,224,005, which includes restricted fixed asset funds of £18,857,197 and a pension deficit of £2,272,000.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Academy recognises a significant pension fund deficit totaling to £2,272,000. This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Academy Trust in the form of an increase or decrease in employers' pension contributions

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

over a period of years. The Academy Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Academy Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Academy Trust due to the recognition of the deficit.

Investment Policy

It should be noted that the Academy has substantial power with regards to investments due to cash balances held. Investment policies are determined by the Governing Body. This ensures the level of funds the Academy holds can cover any immediate expenditure, without exposing the Academy to additional risk. Should any potential investment opportunity arise this would be escalated to the Board for consideration. The most typical investments that are held by academies are the Special Interest Deposit accounts which are immediately available to draw against. At 31 August 2019, no investments were held.

Principal Risks and Uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Academy faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors 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 trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2019. 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.

Fundraising

The academy engages in fundraising throughout the academic year in so far as the Holmer Green Senior School Charity Trust (a related party) holds a Development Fund financed from parents' donations. These funds are used for specific projects where required. Whilst parents are invited to make a donation, no pressure is put onto parents to do so.

The board of governors also directly respond to any complaints that arise pertaining to fundraising events, as with all other school complaints.

Plans for Future Periods

Principal areas for improvement are:

1. Improve the quality of education so that our most able learners are challenged and those who are disadvantaged or have most gaps quickly catch up.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

2. To develop a curriculum that addresses specific lines of enquiry/gaps in each subject area, such as, effective questioning and dealing with misconceptions and develops the cultural capital of all.
3. To develop a coherently planned PSHCE and Enrichment programme that is well attended, particularly by those who are disadvantaged, & that supports the development of character.
4. Improve the delivery of careers education so that all students have access to high quality careers education and guidance and are able to make informed choices going forward
5. To increase the number of Oxbridge, Russell Group and Higher Apprenticeship applications
6. To form an Alumni network
7. Embed deeply consistent routines around student discipline and student reward
8. Ensure that the staff CPD provision is a leading programme that supports staff development
9. Pursue our expansion plan to increase our intake from 150 to 210 annually
10. Scan the horizon to look for investment in new technologies to enhance the teaching and learning process.

Funds Held as Custodian Trustee on Behalf of Others

The Academy Trust and/or its trustees did not act as custodian trustee during the current or previous period.

Auditor

Insofar as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 11 December 2019 and signed on its behalf by:



Mr A Green
Chair of Trustees

GOVERNANCE STATEMENT

Scope of responsibility

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

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

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GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 4 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mr Tony Green, Chairman	4	4
Mrs Sarah Stewart, Vice Chairman	4	4
Mr David Greenwood	2	4
Mrs Si Khan	3	4
Mrs Marianne Selby-Boothroyd	4	4
Mr Paul Davies	4	4
Mrs Cheryl Whitehead	0	2
Mrs Anna Thomas	1	1
Mrs Toni Ellis	1	1
Mr Ed Hillyard, Head Teacher and Accounting Officer	4	4
Mrs Helen Jones	1	1
Mr Jim Leftwich	2	4
Mrs Emma Starling	4	4
Mr Alan Jones	4	4
Mr Scott Barrett	4	4
Mrs Lisa Swain	4	4
Mr Steve Pilgrim	4	4
Miss Emma Baddeley (now Ginger), Staff Trustee	3	4
Miss Jacqui Kirkpatrick, Staff Trustee	3	4
Ms Lorraine Allen, Staff Trustee	0	2
Miss Fiona Kiss, Staff Trustee	4	4

Trustees typically also serve on a number of other sub committees, as set out on the school website.

The impact of each Governing Body Committee is reviewed and monitored through the Headline Document that each committee reviews and produces on a termly basis. The Trustees also carried out a comprehensive self-review supported by the NGA in 2018-19

Key findings noted, actions taken and their impact are noted below:

- o Conclude work of working party on School Development Plan – now completed
- o Set up the Working Party again to consider MATs
- o Performance Management objectives need linking to a new Plan

The Finance Committee is a sub-committee of the main board of Trustees. Its purpose is to make sure that the Academy is following the ESFA's financial regulations.

No significant issues to note were dealt with during the 12 month period.

The attendance of the Finance, Premises and Health & Safety Committee is as follows:

Trustee	Meetings attended	Out of a possible
Mr A Jones - Chair	4	4
Mr A Green	2	4
Mr S Pilgrim	3	4
Mr E Hillyard (HT)	4	4
Mrs Sarah Stewart	2	3
Mr Paul Davies (Vice - Chair)	3	3

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Miss Fiona Kiss	3	3
Mrs Toni Ellis	1	1
Miss Emma Baddeley (now Ginger)	1	1

The requirements of an audit committee are covered under the Terms & Reference of the Finance, Premises and Health & Safety Committee. The requirements of this committee are to:

- o monitor the integrity of the financial statements;
- o review internal financial controls and review the Academy's internal control and risk management systems;
- o make recommendations to the Governing Body in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the auditor; and
- o review the auditor's independence and objectivity.

No significant issues to note were dealt with during the 12 month period.

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the academy delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Maintaining well above average progress with a Level 3 Value Added score of +0.32 for the Sixth Form, putting it in the top 120 in England and a Progress 8 score of +0.42 indicating that every GCSE taken at HGSS was just under half a grade higher than the national average
- Large-scale works for expansion plan fully tendered and delivered on time and on budget

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 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 Holmer Green Senior School for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Landau Baker Ltd for the period 1 September 2018 – 31 August 2019 as internal auditor.

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

On a half - yearly basis, the internal auditor reports to the board of Trustees through the Finance, Premises and H & S committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The Board can confirm that the internal auditor has delivered their schedule of work as planned, provided details of any material control issues arising as a result of their work. During the current and previous period, there were no material control issues noted and thus no remedial action was required to be taken.

Review of effectiveness

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

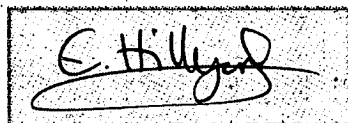
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Premises and H & S committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees on 11 December 2019 and signed on their behalf by:



Mr A Green
Chair of Trustees



Mr E Hillyard
Accounting Officer

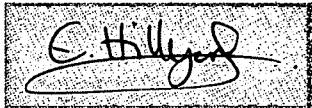
HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Holmer Green Senior School I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2018.

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



Mr E Hillyard
Accounting Officer
Date: 11 December 2019

HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by order of the members of the board of Trustees on 11 December 2019 and signed on its behalf by:

Mr A Green
Chair of Trustees



**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HOLMER GREEN SENIOR SCHOOL**

Opinion

We have audited the financial statements of Holmer Green Senior School (the 'academy') for the year ended 31 August 2019 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 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2019 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 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HOLMER GREEN SENIOR SCHOOL (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HOLMER GREEN SENIOR SCHOOL (CONTINUED)**

Responsibilities of trustees

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

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

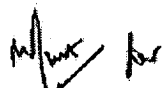
Auditors' responsibilities for the audit of the financial statements

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.

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

Use of our report

This report is made solely to the academy'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'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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

 for Landau Baker Limited

Michael Durst (Senior statutory auditor)

for and on behalf of
Landau Baker Limited

Chartered Accountant & Statutory Auditor

Mountcliff House

154 Brent Street

London

NW4 2DR

11 December 2019

HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLMER GREEN SENIOR SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 16 April 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Holmer Green Senior School during the year 1 September 2018 to 31 August 2019 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 Holmer Green Senior School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Holmer Green Senior School 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 Holmer Green Senior School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Holmer Green Senior School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Holmer Green Senior School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 Academies Accounts Direction 2018 to 2019 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's income and expenditure.

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 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HOLMER
GREEN SENIOR SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 11 December 2019

HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	15,000	-	13,087,802	13,102,802	393,232
Charitable activities		-	4,823,508	-	4,823,508	4,402,774
Other trading activities		52,074	-	-	52,074	43,679
Investments	6	514	-	-	514	367
Total income		67,588	4,823,508	13,087,802	17,978,898	4,840,052
Expenditure on:						
Charitable activities	8	-	4,749,386	249,433	4,998,819	4,745,721
Total expenditure		-	4,749,386	249,433	4,998,819	4,745,721
Net income		67,588	74,122	12,838,369	12,980,079	94,331
Transfers between funds	17	(150,000)	(211,332)	361,332	-	-
Net movement in funds before other recognised gains/(losses)		(82,412)	(137,210)	13,199,701	12,980,079	94,331
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	22	-	(307,000)	-	(307,000)	426,000
Net movement in funds		(82,412)	(444,210)	13,199,701	12,673,079	520,331
Reconciliation of funds:						
Total funds brought forward		310,709	(1,460,982)	5,657,496	4,507,223	3,986,892
Net movement in funds		(82,412)	(444,210)	13,199,701	12,673,079	520,331
Total funds carried forward		228,297	(1,905,192)	18,857,197	17,180,302	4,507,223

The Statement of financial activities includes all gains and losses recognised in the year.


The notes on pages 28 to 48 form part of these financial statements.

HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07827237

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	18,857,197	5,648,179
		<u>18,857,197</u>	<u>5,648,179</u>
Current assets			
Debtors	15	531,764	132,242
Cash at bank and in hand		254,067	679,660
		<u>785,831</u>	<u>811,902</u>
Creditors: amounts falling due within one year	16	(190,726)	(206,858)
Net current assets		<u>595,105</u>	<u>605,044</u>
Total assets less current liabilities		<u>19,452,302</u>	<u>6,253,223</u>
Net assets excluding pension liability		<u>19,452,302</u>	<u>6,253,223</u>
Defined benefit pension scheme liability	22	(2,272,000)	(1,746,000)
Total net assets		<u><u>17,180,302</u></u>	<u><u>4,507,223</u></u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	17	18,857,197	5,657,496
Restricted income funds	17	366,808	285,018
		<u>19,224,005</u>	<u>5,942,514</u>
Restricted funds excluding pension asset	17	19,224,005	5,942,514
Pension reserve	17	(2,272,000)	(1,746,000)
Total restricted funds	17	<u>16,952,005</u>	<u>4,196,514</u>
Unrestricted income funds	17	<u>228,297</u>	<u>310,709</u>
Total funds		<u><u>17,180,302</u></u>	<u><u>4,507,223</u></u>

The financial statements on pages 24 to 48 were approved by the Trustees, and authorised for issue on 11 December 2019 and are signed on their behalf, by:



Mr A Green
Chair of Trustees

HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The notes on pages 28 to 48 form part of these financial statements.

HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	19	311,804	101,160
Cash flows from investing activities	20	(737,397)	67,437
Change in cash and cash equivalents in the year		(425,593)	168,597
Cash and cash equivalents at the beginning of the year		679,660	511,063
Cash and cash equivalents at the end of the year	21	<u>254,067</u>	<u>679,660</u>

The notes on pages 28 to 48 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy, 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Holmer Green Senior School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.3 Income

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the academy has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the academy, can be reliably measured.

- **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.4 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.

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on 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 and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% on cost
Furniture and equipment	- 20% on cost
Computer equipment	- 33% on cost

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.

1.6 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.7 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.

1.8 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy 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.

1.9 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy 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 note 16. 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.

**NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.10 Pensions

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

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

1.11 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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.

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2. Critical accounting estimates and areas of judgment

Estimates and judgments 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 22, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Donations	15,000	-	15,000
Capital Grants	-	449,802	449,802
Revaluation	-	12,638,000	12,638,000
	<u>15,000</u>	<u>13,087,802</u>	<u>13,102,802</u>

During the year the Trustees' decided to revalue the long-term leasehold property to bring it in line with the DfE valuation provided upon academy conversion. Previously, the long-term leasehold property had been held at the valuation provided by a private firm of surveyors.

	Restricted fixed asset funds 2018 £	Total funds 2018 £
Capital Grants	<u>393,232</u>	<u>393,232</u>

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4. Funding for the academy's educational activities

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants			
General Annual Grant (GAG)	4,469,049	4,469,049	4,152,012
Other DfE/ESFA Grants	58,388	58,388	15,500
SEN Funding	181,867	181,867	122,490
Other LA Funding	-	-	4,257
Pupil premium	114,204	114,204	108,515
	<u>4,823,508</u>	<u>4,823,508</u>	<u>4,402,774</u>

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire of facilities	10,131	10,131	15,084
Other income	41,943	41,943	28,595
	<u>52,074</u>	<u>52,074</u>	<u>43,679</u>

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	514	514	367

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7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Educational activities:				
Direct costs	3,043,402	-	364,349	3,407,751
Allocated support costs	882,836	435,715	272,517	1,591,068
	<u>3,926,238</u>	<u>435,715</u>	<u>636,866</u>	<u>4,998,819</u>
	Staff Costs 2018 £	Premises 2018 £	Other 2018 £	Total 2018 £
Educational activities:				
Direct costs	3,014,784	-	257,874	3,272,658
Allocated support costs	749,562	404,812	318,689	1,473,063
	<u>3,764,346</u>	<u>404,812</u>	<u>576,563</u>	<u>4,745,721</u>

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Educational activities	<u>4,998,819</u>	<u>4,998,819</u>	<u>4,745,721</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Educational activities	<u>3,407,751</u>	<u>1,591,068</u>	<u>4,998,819</u>

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9. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2018 £</i>	<i>Support costs 2018 £</i>	<i>Total funds 2018 £</i>
Educational activities	3,272,658	1,473,063	4,745,721

Analysis of direct costs

	<i>Educational activities 2019 £</i>	<i>Total funds 2019 £</i>	<i>Total funds 2018 £</i>
Staff costs	3,008,428	3,008,428	2,986,061
Educational supplies	162,224	162,224	128,318
Examination fees	80,962	80,962	72,686
Staff development	14,271	14,271	14,161
Educational consultancy	23,431	23,431	27,782
Recruitment and support	14,621	14,621	14,927
Technology cost	68,840	68,840	-
Supply teacher cost	34,974	34,974	28,723
	<u>3,407,751</u>	<u>3,407,751</u>	<u>3,272,658</u>

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational activities 2019 £	Total funds 2019 £	Total funds 2018 £
Pension finance cost	44,000	44,000	50,000
Staff costs	882,836	882,836	749,562
Depreciation	249,108	249,108	229,743
Maintenance of premises and equipment	65,586	65,586	99,107
Cleaning	91,488	91,488	79,709
Rent and rates	29,533	29,533	3,247
Insurance	19,133	19,133	19,294
Security and transport	6,481	6,481	2,468
Catering	16,629	16,629	31,654
Energy	61,706	61,706	60,590
Professional fees	75,995	75,995	89,285
Other occupancy cost	1,044	1,044	1,023
Other staff cost	2,586	2,586	2,581
Other support cost	44,943	44,943	47,800
Governance cost	-	-	7,000
	<u>1,591,068</u>	<u>1,591,068</u>	<u>1,473,063</u>

10. Net income

Net income for the year includes:

	2019 £	2018 £
Operating lease rentals	43,903	5,760
Depreciation of tangible fixed assets	249,108	229,743
Fees paid to auditors for:		
- audit	5,500	5,500
- other services	1,500	1,500
	<u>299,911</u>	<u>236,503</u>

11. Staff costs

a. Staff costs

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11. Staff costs (continued)

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	2,999,414	2,870,672
Social security costs	253,678	275,639
Pension costs	638,172	589,312
	<u>3,891,264</u>	<u>3,735,623</u>
Supply teacher cost	34,974	28,723
	<u><u>3,926,238</u></u>	<u><u>3,764,346</u></u>

b. Staff numbers

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

	2019 No.	2018 No.
Teaching	60	53
Administration and support	51	45
Management	10	11
	<u>121</u>	<u>109</u>

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	1
	<u>-</u>	<u>1</u>

d. Key management personnel

The key management personnel of the academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy was £957,602 (2018: £787,162)

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12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019 £	2018 £
J Kirkpatrick	Remuneration	40,000 -	40,000 -
		45,000	45,000
	Pension contributions paid	5,000 -	5,000 -
E Baddeley		10,000	10,000
	Remuneration	35,000 -	35,000 -
		40,000	40,000
K Stratton	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000
	Remuneration	30,000 -	30,000 -
E Hillyard		35,000	35,000
	Pension contributions paid	5,000 -	0 - 5,000
		10,000	
F Kiss	Remuneration	75,000 -	70,000 -
		80,000	75,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
	Remuneration	40,000 -	40,000 -
		45,000	45,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

13. Trustees' and Officers' insurance

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

14. Tangible fixed assets

	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2018	5,955,494	-	132,412	782,769	6,870,675
Additions	328,492	367,588	31,249	92,797	820,126
Revaluations	12,638,000	-	-	-	12,638,000
At 31 August 2019	18,921,986	367,588	163,661	875,566	20,328,801

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14. Tangible fixed assets (continued)

	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Total £
Depreciation					
At 1 September 2018	611,519	-	85,323	525,654	1,222,496
Charge for the year	116,107	-	26,278	106,723	249,108
At 31 August 2019	<u>727,626</u>	<u>-</u>	<u>111,601</u>	<u>632,377</u>	<u>1,471,604</u>
Net book value					
At 31 August 2019	<u>18,194,360</u>	<u>367,588</u>	<u>52,060</u>	<u>243,189</u>	<u>18,857,197</u>
At 31 August 2018	<u>5,343,975</u>	<u>-</u>	<u>47,089</u>	<u>257,115</u>	<u>5,648,179</u>

During the year the Trustees' decided to revalue the long-term leasehold property to bring it in line with the DfE valuation provided upon academy conversion. Previously, the long-term leasehold property had been held at the valuation provided by a private firm of surveyors.

15. Debtors

	2019 £	2018 £
Due within one year		
Other debtors	113,178	54,006
Prepayments and accrued income	418,586	78,236
	<u>531,764</u>	<u>132,242</u>

16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	202	202
Other taxation and social security	128,430	124,158
Other creditors	2,150	340
Accruals and deferred income	59,944	82,158
	<u>190,726</u>	<u>206,858</u>

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17. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds - all funds	310,709	67,588	-	(150,000)	-	228,297
Restricted general funds						
Restricted Funds - all funds	285,018	4,823,508	(4,530,386)	(211,332)	-	366,808
Pension reserve	(1,746,000)	-	(219,000)	-	(307,000)	(2,272,000)
	<u>(1,460,982)</u>	<u>4,823,508</u>	<u>(4,749,386)</u>	<u>(211,332)</u>	<u>(307,000)</u>	<u>(1,905,192)</u>
Restricted fixed asset funds						
Class II Restricted Funds - all funds	5,657,496	13,087,802	(249,433)	361,332	-	18,857,197
Total Restricted funds	<u>4,196,514</u>	<u>17,911,310</u>	<u>(4,998,819)</u>	<u>150,000</u>	<u>(307,000)</u>	<u>16,952,005</u>
Total funds	<u>4,507,223</u>	<u>17,978,898</u>	<u>(4,998,819)</u>	<u>-</u>	<u>(307,000)</u>	<u>17,180,302</u>

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

Restricted fixed asset funds have been increased by capital grants provided by the DfE and reduced by depreciation charges.

Restricted general funds have been increased by revenue grants provided by the DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in term of limitation imposed under the Funding Agreement with the DfE and the term of any specific grant.

Unrestricted funds have been increased by other trading activities and reduced by expenditure incurred in the operation of these trading activities.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

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17. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds					
General Funds - all funds	266,663	44,046	-	-	310,709
Restricted general funds					
Restricted Funds - all funds	158,576	4,402,774	(4,276,332)	-	285,018
Pension reserve	(1,992,000)	-	(180,000)	426,000	(1,746,000)
	<u>(1,833,424)</u>	<u>4,402,774</u>	<u>(4,456,332)</u>	<u>426,000</u>	<u>(1,460,982)</u>
Restricted fixed asset funds					
Class II Restricted Funds - all funds	5,553,653	393,232	(289,389)	-	5,657,496
Total Restricted funds	<u>3,720,229</u>	<u>4,796,006</u>	<u>(4,745,721)</u>	<u>426,000</u>	<u>4,196,514</u>
Total funds	<u>3,986,892</u>	<u>4,840,052</u>	<u>(4,745,721)</u>	<u>426,000</u>	<u>4,507,223</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	18,857,197	18,857,197
Current assets	228,297	557,534	-	785,831
Creditors due within one year	-	(190,726)	-	(190,726)
Provisions for liabilities and charges	-	(2,272,000)	-	(2,272,000)
Total	<u>228,297</u>	<u>(1,905,192)</u>	<u>18,857,197</u>	<u>17,180,302</u>

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	5,648,179	5,648,179
Current assets	310,709	491,876	9,317	811,902
Creditors due within one year	-	(206,858)	-	(206,858)
Provisions for liabilities and charges	-	(1,746,000)	-	(1,746,000)
Total	310,709	(1,460,982)	5,657,496	4,507,223

19. Reconciliation of net income to net cash flow from operating activities

	<i>2019 £</i>	<i>2018 £</i>
Net income for the year (as per Statement of financial activities)	12,980,079	94,331
Adjustments for:		
Revaluation uplift of land and buildings	(12,638,000)	-
Depreciation	249,108	229,743
Capital grants from DfE and other capital income	(449,802)	(393,232)
Interest receivable	(514)	(250)
Defined benefit pension scheme cost less contributions payable	175,000	130,000
Defined benefit pension scheme finance cost	44,000	50,000
Increase in debtors	(31,935)	(18,490)
(Decrease)/increase in creditors	(16,132)	9,058
Net cash provided by operating activities	311,804	101,160

20. Cash flows from investing activities

	<i>2019 £</i>	<i>2018 £</i>
Interest received	514	250
Purchase of tangible fixed assets	(820,126)	(326,045)
Capital funding received from sponsors and others	82,215	393,232
Net cash (used in)/provided by investing activities	(737,397)	67,437

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21. Analysis of cash and cash equivalents

	2019	2018
	£	£
Cash in hand	254,067	679,660
Total cash and cash equivalents	254,067	679,660

22. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

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22. Pension commitments (continued)

Teachers' Pension Scheme

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

The Teachers' Pension Budgeting and Valuation Account

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

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

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website- <https://www.teacherspensions.co.uk/public/login.aspx>.

Scheme Changes

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

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

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

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22. 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 2019 was £201,000 (2018 - £172,000), of which employer's contributions totalled £155,000 (2018 - £135,000) and employees' contributions totalled £ 46,000 (2018 - £37,000). The agreed contribution rates for future years are 22.8 per cent for employers and between 6.5 and 12 per cent for employees.

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

	2019 %	2018 %
Rate of increase in salaries	3.70	3.80
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.85	2.65

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	22.9	24.0
Females	24.8	26.1
<i>Retiring in 20 years</i>		
Males	24.6	26.3
Females	26.7	28.5

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	1,338,000	1,111,000
Gilts	292,000	250,000
Corporate bonds	354,000	260,000
Property	170,000	155,000
Cash and other liquid assets	80,000	127,000
Other investment	257,000	214,000
Total market value of assets	2,491,000	2,117,000

HOLMER GREEN SENIOR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

22. Pension commitments (continued)

The actual return on scheme assets was £192,000 (2018 - £67,000).

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

	2019 £	2018 £
Current service cost	(282,000)	(263,000)
Past service cost	(46,000)	-
Interest income	59,000	52,000
Interest cost	(103,000)	(102,000)
Total amount recognised in the Statement of financial activities	(372,000)	(313,000)

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

	2019 £	2018 £
At 1 September	3,863,000	3,917,000
Current service cost	282,000	263,000
Interest cost	103,000	102,000
Employee contributions	46,000	37,000
Actuarial losses/(gains)	440,000	(411,000)
Benefits paid	(17,000)	(45,000)
Past service costs	46,000	-
At 31 August	4,763,000	3,863,000

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

	2019 £	2018 £
At 1 September	2,117,000	1,925,000
Interest income	59,000	52,000
Actuarial gains	133,000	15,000
Employer contributions	155,000	135,000
Employee contributions	46,000	37,000
Benefits paid	(17,000)	(45,000)
Admin expenses	(2,000)	(2,000)
At 31 August	2,491,000	2,117,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

23. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

24. Related party transactions

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

Holmer Green Senior School Trust (Charity No. 1051142) is a related party of the academy.

During the year, the academy was reimbursed for £38,451 (2018: £44,649) of expenditure incurred on behalf of the Trust. Included in creditors is £NIL (2018: £nil) owed to the Trust.

Holmer Green Senior School Parents and Friends Association (Charity no: 115695) is a related party of the academy.

During the year, the academy was reimbursed for £12,427 (2018: £837) of expenditure incurred on its behalf of the Association.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

25. Agency arrangements

The academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2019 the academy received £6,939 (2018 - £7,143) and disbursed £6,939 (2018 - £7,407) from the fund.