

Company Registration Number: 08084557 (England & Wales)

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021



**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**HORIZON MULTI ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|--|--|
| Members | S Jones S Holborn A Butler A King |
| Trustees | M Anderson, Chief Executive (appointed 1 September 2020) ¹ C Bassett ² E Roberts, Vice Chair S Jones, Chair of Trustees ² A Burt ¹ L Lewis ² J Loney C Adams (appointed 16 March 2021) ² N Abbott (appointed 16 March 2021) ¹ D Taylor (appointed 19 October 2021) I Potter J Fulton ¹ ¹ Finance and Audit Committee ² Curriculum and Standards Committee |
| Company registered number | 08084557 |
| Company name | Horizon Multi Academy Trust |
| Principal and registered office | 81 Sisna Park Road, Unit 21 Plymouth Devon PL6 7AE |
| Company secretary | K Hall |
| Accounting Officer | M Anderson |
| Senior Leadership Team | M Anderson, CEO A Pearce, Business Operations Manager M Ford, Business & Finance Manager |
| Independent auditors | Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN |
| Bankers | Lloyds Bank Fore Street Ivybridge Devon PL21 9AD |

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 9 primary academies in Plymouth. Its academies have a combined pupil capacity of 2,577 and had a roll of 2208 in the school census on 1st October 2020. The Trust also had 158 children on roll in its nursery and preschool provisions.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Elburton Primary School Academy Trust was incorporated on 1 July 2016 and opened as an Academy on 1 July 2012. 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 Horizon Multi Academy Trust came into existence on 1 September 2016 with a change of name from Elburton Primary School Academy Trust. The Trust consists of nine academies, Elburton Primary School Academy, Ford Primary School, Hooe Primary Academy, Hyde Park Infant School, Hyde Park Junior School, Plaistow Hill Infant and Nursery School, Pomphlett Primary Academy, Victoria Road Primary School and Widewell Primary Academy.

The Trustees of Horizon Multi Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Horizon Multi Academy Trust.

Details of the Trustees who served throughout the year period 1st September 2020 to 31st August 2021, and to the date the accounts are approved are included in the Reference and Administration Details.

Trustees' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Trust. The limit of this indemnity is £5,000,000 for any one claim.

Method of recruitment and appointment or election of Trustees

The Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 8 Trustees who are appointed by members.
- the CEO who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four-year period, except that this time limit does not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

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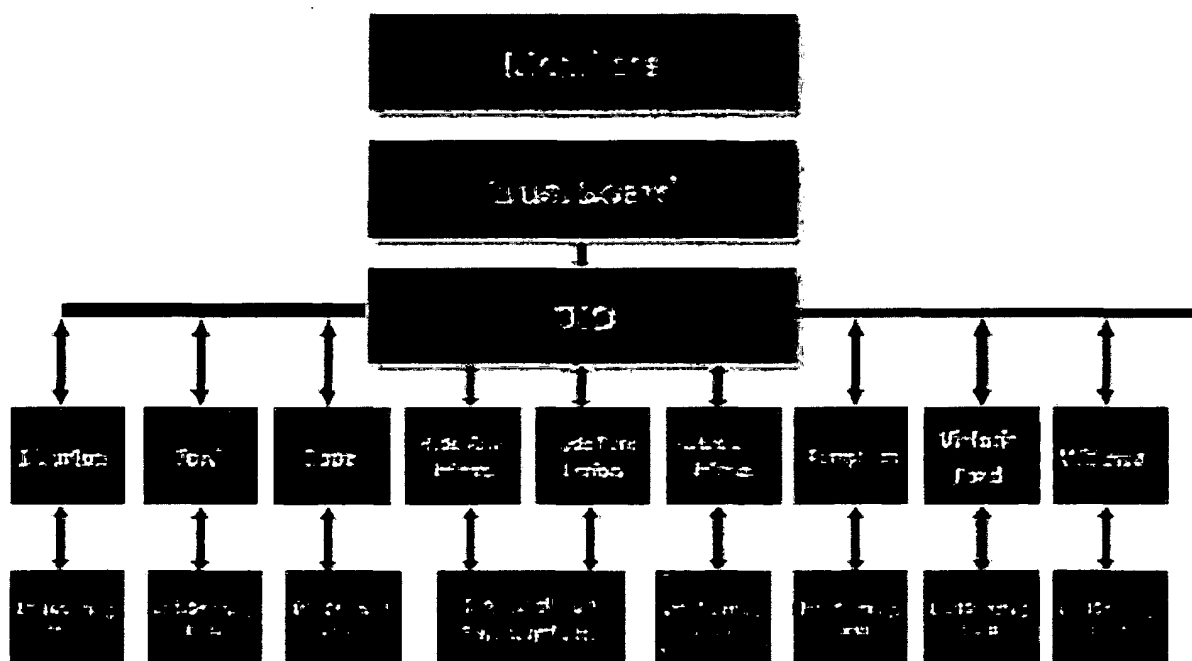
**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include an opportunity to tour the Trust and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered. Support and training has been commissioned from Effective School Governance Ltd.

ORGANISATIONAL STRUCTURE

Governance Structure



The Board of Trustees normally meets twice each term. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 2 committees as follows:

- Finance, Audit and Risk Committee - this meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Curriculum and Standards Committee - this meets once a term to monitor, evaluate and review Trust policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, attainment and all pastoral issues.

**HORIZON MULTI ACADEMY TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Trust and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the CEO, Executive Headteacher, Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Trust by the use of budgets and other data, and making major decisions about the direction of the Trust, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Trust to the CEO and Senior Management Team (SMT). The SMT comprises the CEO, CFO and Business Operations Manager.

The Trust has a leadership structure which consists of the Trustees, the CEO, SMT and headteachers of schools. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The SMT controls the Trust at an executive level, implementing the policies laid down by the Trustees and reporting back to them. Trustees, the CEO, SMT and headteachers of schools are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation.

The Academy Trust comprises nine primary academies: Elburton Primary School Academy, Ford Primary School, Hooe Primary Academy, Hyde Park Infant School, Hyde Park Junior School, Plaistow Hill Infant and Nursery School, Pomphlett Primary Academy, Victoria Road Primary School and Widewell Primary Academy. Seven of the schools have their own Local Governing Body and Hyde Park Infant and Juniors Schools have a Federated Governing body. These bodies are responsible for day to day operations.

The CEO is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The members consider the Board of Trustees and the senior leadership team, comprising the key management personnel of the Trust, in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of key management personnel is reviewed annually and normally increased in accordance with national pay awards.

The Trustees benchmark against pay levels in other Academies of a similar size.

Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | 5 |
| 1%-50% | |
| 51%-99% | |
| 100% | |

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FOR THE YEAR ENDED 31 AUGUST 2021**

Percentage of pay bill spent on facility time

| | |
|---|---|
| Provide the total cost of facility time | 0 |
| Provide the total pay bill | 0 |
| Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100 | 0 |

Paid trade union activities

| | |
|--|---|
| Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100 | 0 |
|--|---|

Related Parties and other Connected Charities and Organisations

Plymouth City Council has use of Victoria Road School facilities and there is a shared use agreement between it and the Trust.

Explorers Den has use of the Hyde Park School facilities and there is a shared use agreement between it and the Trust.

There is a underlease for part of the land at Hooe to Ahoy Childcare Ltd trading as All Aboard Pre-school. Elburton, Hooe, Hyde Park Juniors and Infants, Pomphlett, Victoria Road and Widewell have Parent Teacher Associations. These are separate charitable organisations whose purpose is to raise additional funding to support projects for the benefits of pupils at their linked school.

Engagement with employees (including disabled persons)

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials
- Regular updates to all staff members, via termly updates and newsletters
- Staff meetings and briefings by headteachers
- Virtual INSET days lead by the CEO

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

The Trust's aim of serving unique communities continued to be tested as a result of the ongoing pandemic. All schools looked to proactively serve their communities during this time. Priorities were to keep schools open for key workers and eligible and disadvantaged pupil, ensuring that pupils entitled to Free School Meals were being supported, that pupil wellbeing and safeguarding was being maintained and pupil's education was being supported by high quality on line and remote learning.

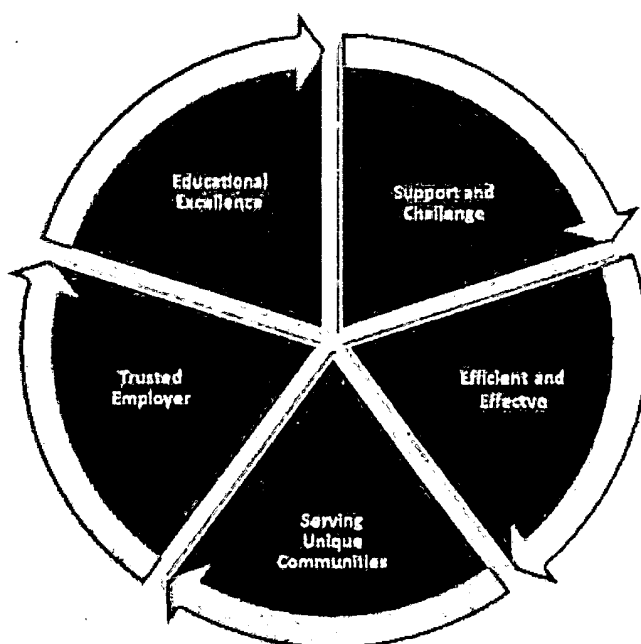
The Trust followed national guidance on keeping pupils and staff safe. Remote learning was further refined and key worker and eligible and disadvantaged pupils were catered for in school. Regular contacts continued with Local Authority partners to ensure the safety, well-being and academic development of vulnerable children. During lockdown all eligible children continued to receive a Free School meal or funding to provide a lunch time meal. Where financial vulnerability of any family was identified food parcels, food bank vouchers were provided to support through these challenging times.

Contracts with Trust suppliers were honoured including catering. A Public Procurement Notice (PPN) was also applied for from the Trust.

All staff continued to be employed by the Trust including those eligible for furlough. Those eligible for furlough were staff whose salaries were dependent on private income.

OBJECTIVES AND ACTIVITIES

The Strategic Aims of the Trust



- **Educational Excellence**
 - Our pupils value learning with high quality teaching provided for all
 - All schools to be judged at least good OfSTED judgements
 - Achievement indicators for Horizon Trust in attainment and progress show a trajectory of improvement for all groups over time
- **Support and Challenge**
 - Ensure effective and robust governance structures at all levels supporting and challenging school performance
- **Trusted Employer**
 - Our staff are nurtured for their future development
 - We endeavour to ensure the well-being of our staff
- **Efficient and Effective**
 - "To have the right people in the right place at the right time"
 - Resources are used effectively and shared to achieve best value in creating a positive and sustainable learning environment
- **Serving unique communities**
 - Engage with local communities, businesses and other education providers to remove barriers to learning and raise aspirations for our pupils

The principal object and activity of Horizon MAT is to advance for the public benefit education, in particular by establishing, maintaining, carrying on, managing and developing nine primary academies, offering a broad range of curriculum for pupils of different abilities, with a strong determination to provide outstanding educational experiences for every pupil.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The aims of the Trust during the year ended 31 August 2021 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils.
- to provide a broad and balanced curriculum, including extra-curricular activities.
- to develop pupils as more effective learners.
- to develop each academy so that it enables pupils to achieve their full potential.
- to ensure that every pupil enjoys the same high quality education in terms of resourcing, tuition and care.
- to improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review.
- to provide value for money for the funds expended.
- to further develop collaboration and cooperation to result in greater coherence, clarity and effectiveness in Trust organisations.
- to comply with all appropriate statutory and curriculum requirements.
- to develop the Trust's capacity to manage change, and
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

At Horizon Multi Academy trust we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Trust is a community in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities for 2020/21

- To develop and implemented the School Improvement Strategy for the Trust in collaboration with Trust school leaders.
- To introduce a system and model of peer to peer review securing high quality of teaching and learning coupled with coaching of senior and middle leaders at school level.
- To review the curriculum offered by all academies to ensure that the offers were broad balanced and enriched.
- To ensure there is consistency and clarity over the intent, implementation and impact of the curriculum offered by academies.
- To embed consistent assessment procedures across the Trust including a standardised tracking and recording system for all year groups.
- To prepare the leadership of each academies for the requirements of the new OfSTED framework.
- To develop senior staff in coaching techniques.
- To develop programmes for teaching staff at Middle, and Senior leadership level.
- To take full advantage of the apprenticeship training scheme.
- To further greater collaboration of all leaders within the trust schools.
- To focus on closing any disadvantage gap by training, analysis and challenge provision on underperformance.
- To expand the function of the central team by adding greater capacity and so increasing efficiencies and effectiveness of non-teaching functions across the Trust. This includes joint procurement by the Trust of Education Welfare Officers and admissions procedures.
- To develop a system to ensure a consistent approach across the Trust in HSE and other safety compliances.
- To maximising opportunities to ensure that all buildings are maintained to a high order for learning including CIF bids.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or

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**TRUSTEES' REPORT (CONTINUED)
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duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

The Trust aims to advance for the public benefit, education in Plymouth and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and development schools and offering a broad curriculum.

The Trust provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community. All schools in the Trust were proactive in responding to Government directives and community needs during the pandemic.

Ford Primary School served their community following the tragic events in the Keyham Community during August 2021.

As a Trust we have a duty to support other schools.

STRATEGIC REPORT

Achievements and Performance

During the year five headships and three assistant heads became available across the Trust. These were externally advertised and suitable candidates applied and were recruited through a robust process. There was an appointment of an executive head to the Hyde Park Schools following appropriate consultations with the community, staff and local governors. The head of Plaistow Hill is interim executive headteacher at Victoria Road.

A new CEO has been in place since September 2020 and has undergone an induction process including participation with Ambition's Institute Trust Leader's programme.

Further alignment has taken place centrally with the introduction of one IT provider, new MIS and HR systems.

The Trust is unable to produce attainment data this year as a result of closures of schools due to the Covid 19 Pandemic. No end of year statutory assessments were undertaken by the Government. Schools through the Trust were able to complete internal assessments which identified gaps in learning and informed catch up provision.

All schools prepared recovery programmes for pupils upon their return to education in September 2020 and these included Baseline assessments within the first month that assessed where gaps occurred in pupil's learning and was used to measure progress during the year for individuals and cohorts of pupils.

No schools received an OfSTED inspection during the year so the table below indicates the current judgements for each school.

| Academy | Conversion | Last OfSTED |
|-------------------|-------------------|---|
| Elburton | September 2016 | Outstanding January 2014 |
| Ford | April 2018 | Good June 2017 |
| Hoe | September 2016 | Good May 2017 |
| Hyde Park Infants | January 2019 | Outstanding January 2007/ Confirmation letter July 2010 |
| Hyde Park Juniors | January 2019 | RI December 2017 |
| Plaistow Hill | April 2018 | Good July 2017 |
| Pomphlett | November 2017 | Good Feb 2013 |
| Victoria Road | September 2018 | Good Feb 2016 |
| Widewell | September 2016 | Good May 2016 |

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trust is in its fifth year of operation. The Trust has an increasing roll in two of its academies.

The Regional Schools Commission formally accepted a significant change in the pupil age range at Plaistow Hill to extend the nursery age range from 2.

Schools report termly to the Trust Board on data for all year groups and specific groups.

To ensure that standards are continually assessed, the Trust operates a programme of in-school peer reviews although these were curtailed by Covid they were resumed in the Summer term.

The trust achieved successful CIF bids amounting to £1,080,625 to replace roofs at Elburton and Ford, fired safety work at Victoria Road, Ford and Widewell. After much delay the MUGA at Widewell was completed.

Safeguarding work at the Hyde Park Schools was completed, while it continues at Hooe.

The Trust has continued to deliver courses for middle leaders and senior leaders.

Other achievements by individual academies:

Elburton

- Achievement of the Mental Health Charter Mark Bronze Mark- together with the development of the Pastoral team at the school.
- Strong parental engagement evident through the support of events organised by the PTA, despite lockdown. A total of £25,771.65 was donated by the PTA to the school during 2020/21
- The school's curriculum and broader offer supports pupil's overall development, these include faith assemblies, after school clubs, connecting classrooms (International Links), support for charities.
- The school achieved the International School Award from the British Council 2018-2021, re-accredited from 1st September 2021 to 31st August 2024. Awarded for 'Outstanding development of the international dimension in the curriculum.'
- School Games Platinum Award winners for sport participation and achievement in sport; years 2018/19 and 2019/20 (unable to apply for this in 2020/21 due to Covid-19).
- The school has refined the relationships and health curriculum to align with the 2021 expectations. This includes the updated curriculum and re-attaining the Healthy Child Quality Mark status 2020-23

Ford

- Provision of SEMH support for children during the recovery from Covid and the Keyham shootings.
- The changes to the curriculum to ensure children understand their place in the world.
- Two successful CIF bids to make improvements to the school environment.
- Development of links with the local area including Pantheon Gym, the Navy and Mini Police.

Hooe

- New Assistant Headteacher appointed
- 98% engagement in some weeks with remote learning
- PTA raised £12,500 towards new play equipment despite the COVID restrictions
- Two new apprentice TAs employed
- Curriculum aims and vision revisited with whole school staff and governors - Happy, Passionate about learning and Ambitious
- Fresh new website

Hyde Park Infants

- Consultation and restructure of leadership teams at the school with appointment of new Executive Headteacher.
- Development of closer working ties with HPJS.
- New building works - helping with staff cohesion, improving environment for children, and giving us even greater safeguarding structures.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- New IT systems and infrastructure.
- More opportunities for the children to use the outdoor learning area and the cabin.

Hyde Park Juniors

- Consultation and restructure of leadership teams at the school with appointment of new Executive Headteacher.
- Take One Picture - work from our stunning art curriculum was chosen to be exhibited at the National Gallery; the only primary school to have two year groups represented.
- Children's art work in year 6 selected to be used to decorate planters around the city centre / Barbican and linked article in the Herald.
- Building works to promote unity between the two schools.
- Subject leaders collaborating across the two schools for the first time.
- Joint training to develop RWI in both schools, linked into the already successful reading programme of the junior school.
- Excellent results for our year 6 cohort demonstrating the success of the lockdown remote learning across the school.

Plaistow Hill Infants and Nursery School

- Awarded the Bronze Mental Health charter mark on 15th July and now working towards the silver.
- SEN audit which acknowledged our good practices and many successes at the school with children with SEND.
- Positive external safeguarding audit.
- Proud of the way in which the community came together during Covid and the support which staff gave to our families.
- The progress the children made even though most of the year was done remotely shows the great link between home and school.

Pomphlett

- Platinum sports award - 3rd successive year- the only school to have received it in Plymouth this academic year.
- Strengths of the curriculum design and implementation – the carefully designed curriculum is ambitious, rich and engaging for all children.
- Feedback from parents and/or govs re. School focus on children's mental health after both lockdowns very positive.

Victoria Road

- Beginning to hold community charity events to raise money for the wider community such as Yellowminds Day and Macmillian Coffee Afternoon.
- Finding new ways to communicate with parents, including the induction of our new sway newsletter in Jan 2021.
- Supporting a high level of SEN need across the school during the second COVID lockdown and personalised approaches on their return. Reflected in the SEN audit feedback.
- Staff having a clearer understanding of the curriculum and the school drivers, working hard to link this to our students and overarching vision and aims.
- Using external agencies to support the development of art across the school, Moths to Flame project and Mayflower 400 art project (Art Panels on Embankment Road).

Widewell

- Installation of a MUGA which has provided enhanced PE provision for the whole school
- Successful recruitment of a new Headteacher
- Identifying and providing early help and support for vulnerable children and families during lockdown and periods of school closure, this included pastoral support as well as educational support where we provided children with laptops to support their learning
- A selection of KS2 children were published in a poetry anthology based on the theme 'Save our Seas'

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- Successful recovery curriculum put in place to enable pupils to eliminate any gaps in learning

Key Performance Indicators

The following KPI's were set at the start of the year

| | Target | Actual |
|--|---------|---------|
| GAG as percentage of income | 71% | 67% |
| Pupil to teacher ratio | 20 | 20 |
| Average Teacher Cost | £45,000 | £37,523 |
| Teacher Contact ratio | 0.85 | 0.89 |
| Staff costs as percentage of total expenditure | 74% | 79% |

Income was down this year due to schools being closed for lockdown. Before and after school club and Nursery paid income was particularly affected. This is slowly increasing but this means we did not hit our budgets for additional income, therefore increasing the % of GAG that makes up total income.

We took a large number of additional pupils at Pomphlett Primary School due to their expansion.

Teacher contact has increased due to additional support in schools using the catch up funding.

Going Concern

The Board of Trustees have conducted a thorough review of the Trust's financial position and future viability. Some areas were identified as potential future issues, but measures have been taken to mitigate these and there is no longer any cause for concern. Therefore, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the Going Concern basis in preparing the financial statements. Further details regarding the adoption of the Going Concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

During the year ended 31 August 2021, the Trust received total income of £13,274,380 and incurred total expenditure of £13,375,756. The excess of expenditure over income for the year was £101,376.

At 31 August 2021 the net book value of fixed assets was £28,361,942 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The land, buildings and other assets were transferred to the Trust upon conversion. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 28 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, CEO, CFO, managers

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FOR THE YEAR ENDED 31 AUGUST 2021**

headteachers, budget holders and other staff, as well as delegated authority for spending. The Pay Policy was also reviewed.

Reserves Policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be at least equal to 1/12th of the Trust's payroll. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or a fall in pupil numbers resulting in losing a class but not wanting to lose a teacher. Total reserves of the Trust amount to £30,144,511 (excluding the defined benefit pension liability), although £29,115,101 of this is invested in fixed assets or represents non GAG restricted funds. The remaining £1,029,410 (representing £972,462 unrestricted funds and £56,948 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents 1 months of normal recurring expenditure.

The Trustees have reviewed the future plans of the Trust and have set designated reserves as follows:

- £10,000 to purchase IT equipment at Widewell
- £14,600 roof repairs at Ford
- £5,000 emergency Health and Safety Works at Ford
- £15,000 drainage work at Ford
- £63,000 combining staff rooms at the Hyde Park Schools

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

The Trust has no invested funds.

The Trust's Finance Policy states that "investments must be made only in accordance with written procedures approved by the Trust Board."

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Trust are as follows:

- Financial - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 96% of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- Reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing - the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds - The Trust has appointed an internal auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.
- Pupil numbers at two of the Trust schools have fallen due to reduced birth rate in the locality. This has put pressure on the financial position of these two schools.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trust has agreed a Risk Register and a Business Continuity Plan. These have been discussed by Trustees and include the financial risks to the Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 28 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

Schools within the Trust have participated in fund raising for various charities. This would include such activities as non-uniform days. This fund raising is limited and would include raising funds for such organisations as Children in Need and Red Nose day. At times schools have limited fund raising including crowd funding type appeals for specific purposes.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

STREAMLINED ENERGY AND CARBON REPORTING

| UK Greenhouse gas emissions and energy use data for the year 1 September 2020 to 31 August 2021 | |
|--|-----------|
| Energy consumption used to calculate emissions (kWh) | 1,473,159 |
| <u>Scope 1 emissions in metric tonnes CO2e</u> Gas and Oil consumption | 205,518 |
| <u>Scope 2 emissions in metric tonnes CO2e</u> Purchased electricity | 82,863 |
| <u>Scope 3 emissions in metric tonnes CO2e</u> Business travel in employee owned vehicles | 2,156 |
| Total gross emissions in metric tonnes CO2e | 290,537 |
| <u>Intensity ratio</u> Tonnes CO2e per pupil | 0.13088 |

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

As a result of the pandemic increased video conferencing technology has been used for various meetings, to reduce the need for travel. Microsoft technology has enabled on-line sharing of documents to reduce paper consumption. New solar panels were installed at Elburton to heat the swimming pool. Work has started to replace the roofs of two schools within the trust. In both cases this will improve insulation. The trust has adopted the policy of always pursuing supplies with green credentials.

PLANS FOR FUTURE PERIODS

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Trust will continue to work with partner schools through the Local Authority, RSC Action Learning sets, the Learning Academies Trust, SCITT, and Plymouth Teaching School Alliance to improve the educational opportunities for pupils in the wider community.

Securing better outcomes for pupils deemed disadvantaged and receiving SEND support across the Trust leading to a narrowing of any attainment gaps as a result of the pandemic.

Trust schools will work closely with their immediate community and other schools within that community.

- Hubs
- Leadership development
- Embedding school improvement strategy
- Further explore peer to peer reviews

Full details of our plans for the future are given in our Horizon Multi Academy Development Plan, which is available from the Company Secretary.

Full details of the Covid Action Plan including contingency Teaching and Learning Plans and Catch up plans are available on individual school websites.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trust has produced a plan to further centralise core functions developing efficiencies in scale with a focus in 21/22 on catering.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITOR

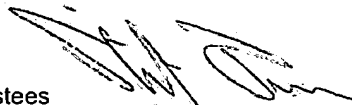
In so far as the Trustees are aware:

- 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 auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Approved by order of the members of the Board of Trustees on 14 December 2021 and signed on their behalf, by:

S Jones
Chair of Trustees


14/12/21

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 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 |
|-----------------------------|-------------------|-------------------|
| M Anderson, Chief Executive | 6 | 6 |
| C Bassett | 6 | 6 |
| E Roberts, Vice Chair | 5 | 6 |
| S Jones, Chair of Trustees | 6 | 6 |
| A Burt | 5 | 6 |
| L Lewis | 4 | 6 |
| J Loney | 4 | 6 |
| C Adams | 3 | 3 |
| N Abbott | 3 | 3 |
| D Taylor | 0 | 0 |
| I Potter | 5 | 6 |
| J Fulton | 3 | 6 |

The Trustees and Members agreed to Nick Abbott and Caroline Adams joining the board as Trustees on Tuesday 16th March 2021.

There were no leavers within the year.

Following RSC advice the members should be increased to 5 and one additional member is currently being sought.

A particular challenge to the board was lockdown and the response to the Covid 19 pandemic. Meetings had to go online and visits to the school were curtailed.

Trustees were very much involved in how schools were operating during this time. This included the provision of child care for key workers and vulnerable groups and distant learning. They received regular reports from the CEO on how schools were responding to guidance from the DFE to ensure schools were safe environments while continuing to provide meaningful education to pupils.

For a second year there has been no statutory assessments. The trust board had termly reports on the internal data compiled by schools on pupil performance. Schools moved to a new MIS system which enabled pupil assessments to be scrutinised with reports available for the trust board. This ensured board oversight of performance of all schools. Thus the board was able to challenge schools throughout the year.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

A performance and key information sheet for each school has been produced for Trustees to quickly evaluate key performance indicators. The CEO produces a report for the Trust on its performance on a termly basis.

The three year development plan for the Trust is in year two of three this includes further plans for centralisation and a review of staffing capacity.

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor and scrutinise the finances of the Trust, ensuring that procedures and statutory guidelines are adhered to. This Committee also holds the function of Audit Committee as a separate section of its meetings. The senior leadership team only attend the audit committee part of the meeting.

During the year Nick Abbott joined the committee.

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|---------------------------------|-------------------|-------------------|
| Maria Anderson, Chief Executive | 4 | 4 |
| Andrew Burt | 4 | 4 |
| Jenna Fulton | 3 | 4 |
| Nick Abbott | 2 | 2 |

The Curriculum and Standards Committee is a sub-committee of the main Board of Trustees. The role of the Standards and Curriculum Committee is to assist the decision making of the Trust Board, by enabling more detailed consideration to be given to the best means of fulfilling its responsibility for educational standards. The Committee shall consider and advise the fellow Trustees on Curriculum and Quality, Performance Standards and Self-Assessment and review.

During the year Caroline Adams joined the committee. Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|-----------|-------------------|-------------------|
| C Bassett | 2 | 2 |
| L Lewis | 1 | 2 |
| C Adams | 2 | 2 |
| S Jones | 1 | 1 |

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF VALUE FOR MONEY

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

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

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making comparisons with similar Academies using data provided by the ESFA, our auditors and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.
- Look to reducing staff costs through centralisation
- Achieving economies of scale through changing staffing structures and acquisition of resources
- When recruiting reviewing need and salary points
- Check values of purchases by comparing differing suppliers

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Horizon Multi Academy Trust for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget agreed by the Board of Trustees
- Each trust board meeting receives the current management accounts to be reviewed and approved.
- Management accounts are sent monthly to Chair of Trust board and Finance and Audit Committee chair

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

THE RISK AND CONTROL FRAMEWORK (CONTINUED)

- Reviews by the Finance and Audit 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 within management accounts
- Clearly defined purchasing (assets purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from Thomas Westcott

Thomas Westcott completed internal audit review checks remotely during the year 2021 with scope of the work and the work programme agreed in advance by the board.

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

- Review of Governance
- Review of processes within two schools

The auditor reports to the Board of Trustees through the Finance and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

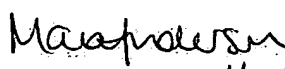
- The work of the internal auditor
- The work of the external auditor
- The financial management and governance self-assessment process
- A requested review completed by a Schools Resource Management Advisor appointed by the ESFA
- The work of the CFO within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit 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 14 December 2021
their behalf by:

and signed on

 14/12/21
S Jones
Chair of Trustees


M Anderson 14.12.21
Accounting Officer

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Horizon Multi Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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.



M Anderson
Accounting Officer
Date: 14 December 2021

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.


The 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 and signed on its behalf by:

S Jones
Chair of Trustees
Date:


14/12/21

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HORIZON MULTI ACADEMY TRUST**

OPINION

We have audited the financial statements of Horizon Multi Academy Trust (the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HORIZON MULTI ACADEMY TRUST (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors' Report) including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

RESPONSIBILITIES OF TRUSTEES

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

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HORIZON MULTI ACADEMY TRUST (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HORIZON MULTI ACADEMY TRUST (CONTINUED)**

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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



Pamela Tuckett FCA DChA (Senior statutory auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 16 December 2021

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HORIZON
MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 11 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Horizon Multi Academy Trust during the year 1 September 2020 to 31 August 2021 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 Horizon Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Horizon Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Horizon Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF HORIZON MULTI ACADEMY TRUST'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Horizon Multi Academy Trust's funding agreement with the Secretary of State for Education dated 30 August 2016 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy Trust complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.


We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HORIZON
MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Pamela Tuckett FCA DChA (Reporting Accountant)
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 16 December 2021

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

| | Note | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|------|------------------------------------|----------------------------------|--|-----------------------------|-----------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 3 | 133,589 | 44,188 | 1,258,704 | 1,436,481 | 470,736 |
| Charitable activities | 4 | 681,621 | 11,006,883 | - | 11,688,504 | 10,993,887 |
| Other trading activities | 6 | 149,193 | - | - | 149,193 | 154,876 |
| Investments | 7 | 202 | - | - | 202 | 1,473 |
| Other income | | - | - | - | - | 3,761 |
| Total income | | 964,605 | 11,051,071 | 1,258,704 | 13,274,380 | 11,624,733 |
| Expenditure on: | | | | | | |
| Raising funds | 8 | 7,482 | - | - | 7,482 | 15,577 |
| Charitable activities | 9 | 874,740 | 11,881,595 | 611,939 | 13,368,274 | 12,492,668 |
| Total expenditure | | 882,222 | 11,881,595 | 611,939 | 13,375,756 | 12,508,245 |
| NET INCOME/ (EXPENDITURE) | | 82,383 | (830,524) | 646,765 | (101,376) | (883,512) |
| Transfers between funds | 20 | - | (216,468) | 216,468 | - | - |
| Net movement in funds before other recognised gains/(losses) | | 82,383 | (1,046,992) | 863,233 | (101,376) | (883,512) |
| Other recognised gains/(losses): | | | | | | |
| Actuarial losses on defined benefit pension schemes | 28 | - | (712,000) | - | (712,000) | (14,000) |
| Net movement in funds | | 82,383 | (1,758,992) | 863,233 | (813,376) | (897,512) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 890,079 | (6,991,597) | 28,206,405 | 22,104,887 | 23,002,399 |
| Net movement in funds | | 82,383 | (1,758,992) | 863,233 | (813,376) | (897,512) |
| Total funds carried forward | | 972,462 | (8,750,589) | 29,069,638 | 21,291,511 | 22,104,887 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

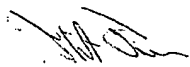
The notes on pages 31 to 64 form part of these financial statements.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08084557**

**BALANCE SHEET
AS AT 31 AUGUST 2021**

| | Note | 2021 £ | 2020 £ |
|---|------|-------------------|-------------------|
| Fixed assets | | | |
| Tangible assets | 15 | 28,361,942 | 27,849,442 |
| Current assets | | | |
| Stocks | 16 | 4,076 | 4,076 |
| Debtors | 17 | 1,555,604 | 730,682 |
| Cash at bank and in hand | 25 | 1,831,661 | 1,670,709 |
| | | <u>3,391,341</u> | <u>2,405,467</u> |
| Creditors: amounts falling due within one year | 18 | (1,584,782) | (943,567) |
| Net current assets | | <u>1,806,559</u> | <u>1,461,900</u> |
| Total assets less current liabilities | | <u>30,168,501</u> | <u>29,311,342</u> |
| Creditors: amounts falling due after more than one year | 19 | (23,990) | (37,455) |
| Net assets excluding pension liability | | <u>30,144,511</u> | <u>29,273,887</u> |
| Defined benefit pension scheme liability | 28 | (8,853,000) | (7,169,000) |
| Total net assets | | <u>21,291,511</u> | <u>22,104,887</u> |
| Funds of the Academy Trust | | | |
| Restricted funds: | | | |
| Fixed asset funds | 20 | 29,069,638 | 28,206,405 |
| Restricted income funds | 20 | 102,411 | 177,403 |
| Restricted funds excluding pension liability | 20 | <u>29,172,049</u> | <u>28,383,808</u> |
| Pension reserve | 20 | (8,853,000) | (7,169,000) |
| Total restricted funds | 20 | <u>20,319,049</u> | <u>21,214,808</u> |
| Unrestricted income funds | 20 | <u>972,462</u> | <u>890,079</u> |
| Total funds | | <u>21,291,511</u> | <u>22,104,887</u> |

The financial statements on pages 28 to 64 were approved by the Trustees, and authorised for issue on 14 December 2021 and are signed on their behalf, by:



S Jones
Chair of Trustees

The notes on pages 31 to 64 form part of these financial statements.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

| | Note | 2021 £ | 2020 £ |
|---|--------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 22 | 552,637 | 332,261 |
| Cash flows from investing activities | 24 | (392,370) | (270,620) |
| Cash flows from financial activities | 23 | 685 | 33,913 |
| Change in cash and cash equivalents in the year | | 160,952 | 95,554 |
| Cash and cash equivalents at the beginning of the year | | 1,670,709 | 1,575,155 |
| Cash and cash equivalents at the end of the year | 25, 26 | 1,831,661 | 1,670,709 |

The notes on pages 31 to 64 form part of these financial statements

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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 Trust to continue as a Going Concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a Going Concern, thus they continue to adopt the Going Concern basis of accounting in preparing the financial statements.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

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

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

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.

• **Expenditure on raising funds**

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

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE (CONTINUED)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 TAXATION

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.6 TANGIBLE FIXED ASSETS

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land 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:

| | |
|------------------------------|---|
| Freehold property | - 2% straight line |
| Long-term leasehold property | - 2% straight line / land - term of the lease |
| Furniture and fixtures | - 20% straight line |
| Computer equipment | - 33% straight line |

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

1.7 STOCKS

Stocks consist of consumables and are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.9 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 and cash on deposit that has a notice period of less than 30 days.

1.10 LIABILITIES

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

1.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. 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.

1.12 OPERATING LEASES

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

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.13 PENSIONS

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

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

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

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

1.14 FUND ACCOUNTING

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The Academy Trust 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 28, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance leases requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ |
|-------------------|------------------------------------|----------------------------------|---|-----------------------------|
| Donations | 133,589 | 44,188 | 73,459 | 251,236 |
| Capital Grants | - | - | 1,185,245 | 1,185,245 |
| TOTAL 2021 | 133,589 | 44,188 | 1,258,704 | 1,436,481 |

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ |
|-------------------|------------------------------------|----------------------------------|---|-----------------------------|
| Donations | 124,036 | 46,202 | - | 170,238 |
| Capital Grants | - | - | 300,498 | 300,498 |
| TOTAL 2020 | 124,036 | 46,202 | 300,498 | 470,736 |

4. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|
| Education | 681,621 | 11,006,883 | 11,688,504 |
| Nursery | - | - | - |
| TOTAL 2021 | 681,621 | 11,006,883 | 11,688,504 |

Following clarification in the AAD, nursery activities which were previously separately identified as their own charitable activity have now been included with the Educational activities reported throughout the accounts.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. INCOME FROM CHARITABLE ACTIVITIES (CONTINUED)

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|
| Education | 146,893 | 10,253,520 | 10,400,413 |
| Nursery | 593,474 | - | 593,474 |
| TOTAL 2020 | 740,367 | 10,253,520 | 10,993,887 |

5. FUNDING FOR THE ACADEMY TRUST'S EDUCATION

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|--|------------------------------------|----------------------------------|-----------------------------|
| DFE/ESFA GRANTS | | | |
| General Annual Grant (GAG) | - | 8,861,406 | 8,861,406 |
| Other DfE/EFSA grants | | | |
| Pupil Premium | - | 636,479 | 636,479 |
| UFSM | - | 359,168 | 359,168 |
| Teachers Pension Grant | - | 315,834 | 315,834 |
| Other DFE/ESFA grants | - | 362,403 | 362,403 |
| | - | 10,535,290 | 10,535,290 |
| OTHER GOVERNMENT GRANTS | | | |
| High Needs | - | 218,974 | 218,974 |
| Other government grants - non capital | 533,567 | 60,487 | 594,054 |
| | 533,567 | 279,461 | 813,028 |
| Other income from the Academy Trust's education | 148,054 | - | 148,054 |
| COVID-19 ADDITIONAL FUNDING (DFE/ESFA) | | | |
| Catch-up Premium | - | 176,640 | 176,640 |
| | - | 176,640 | 176,640 |
| COVID-19 ADDITIONAL FUNDING (NON-DFE/ESFA) | | | |
| Coronavirus Job Retention Scheme grant | - | 15,492 | 15,492 |
| | - | 15,492 | 15,492 |
| TOTAL 2021 | 681,621 | 11,006,883 | 11,688,504 |

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. FUNDING FOR THE ACADEMY TRUST'S EDUCATION (CONTINUED)

The academy received £176,640 of funding for catch-up premium and costs incurred in respect of this funding totalled £176,640.

The Academy Trust furloughed some of its school club assistants, and catering assistants under the government's CJRS. The funding received of £15,492 (2020: £38,567) relates to staff costs in respect of 25 staff which are included within note 11 below as appropriate.

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ |
|--|------------------------------------|----------------------------------|-----------------------------|
| DFE/ESFA GRANTS | | | |
| General Annual Grant (GAG) | - | 8,368,058 | 8,368,058 |
| Other DfE/ESFA grants | | | |
| Pupil Premium | - | 637,147 | 637,147 |
| UFSM | - | 303,247 | 303,247 |
| Teachers Pension Grant | - | 304,367 | 304,367 |
| Other DfE/ESFA grants | - | 334,992 | 334,992 |
| | - | 9,947,811 | 9,947,811 |
| OTHER GOVERNMENT GRANTS | | | |
| High Needs | - | 216,514 | 216,514 |
| Other government grants - non capital | - | 47,778 | 47,778 |
| | - | 264,292 | 264,292 |
| Other income from the Academy Trust's education | 146,893 | - | 146,893 |
| COVID-19 ADDITIONAL FUNDING (DFE/ESFA) | | | |
| Coronavirus exceptional support | - | 2,850 | 2,850 |
| COVID-19 ADDITIONAL FUNDING (NON-DFE/ESFA) | | | |
| Coronavirus Job Retention Scheme grant | - | 38,567 | 38,567 |
| TOTAL 2020 | 146,893 | 10,253,520 | 10,400,413 |

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the Academy Trust's funding for Universal Infant Free School Meals, Teachers Pension Grant and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "Exceptional government funding".

The funding received for Coronavirus exceptional support covered £2,850 of catering costs. These costs are included in notes 8 and 9 below as appropriate.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6. INCOME FROM OTHER TRADING ACTIVITIES

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Lettings | 4,440 | 4,440 | 15,823 |
| External Catering | 705 | 705 | 521 |
| Fees received | 144,048 | 144,048 | 138,532 |
| TOTAL 2021 | 149,193 | 149,193 | 154,876 |

All prior year amounts relate to unrestricted funds.

7. INVESTMENT INCOME

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------|------------------------------------|-----------------------------|-----------------------------|
| Bank interest | 202 | 202 | 1,473 |

All prior year amounts relate to unrestricted funds.

8. EXPENDITURE

| | Staff Costs 2021 £ | Premises 2021 £ | Other 2021 £ | Total 2021 £ |
|--|--------------------------|-----------------------|--------------------|--------------------|
| Expenditure on fundraising trading activities: | | | | |
| Direct costs | - | - | 7,482 | 7,482 |
| Education: | | | | |
| Direct costs | 8,551,833 | 321,440 | 696,281 | 9,569,554 |
| Support costs | 1,960,031 | 510,945 | 1,327,744 | 3,798,720 |
| Nursery: | | | | |
| Direct costs | - | - | - | - |
| Support costs | - | - | - | - |
| TOTAL 2021 | 10,511,864 | 832,385 | 2,031,507 | 13,375,756 |

HORIZON MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. EXPENDITURE (CONTINUED)

| | Staff Costs 2020 £ | Premises 2020 £ | Other 2020 £ | Total 2020 £ |
|--|--------------------------|-----------------------|--------------------|--------------------|
| Expenditure on fundraising trading activities: | | | | |
| Direct costs | - | - | 15,577 | 15,577 |
| Education: | | | | |
| Direct costs | 7,354,043 | 318,547 | 671,562 | 8,344,152 |
| Allocated support costs | 1,838,098 | 492,430 | 1,209,565 | 3,540,093 |
| Nursery: | | | | |
| Direct costs | 566,634 | - | 8,263 | 574,897 |
| Allocated support costs | - | 16,579 | 16,947 | 33,526 |
| TOTAL 2020 | 9,758,775 | 827,556 | 1,921,914 | 12,508,245 |

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

| | Direct costs 2021 £ | Support costs 2021 £ | Total funds 2021 £ |
|-----------|------------------------------|-------------------------------|-----------------------------|
| Education | 9,569,554 | 3,798,720 | 13,368,274 |

| | Direct costs 2020 £ | Support costs 2020 £ | Total funds 2020 £ |
|-------------------|------------------------------|-------------------------------|-----------------------------|
| Education | 8,344,152 | 3,540,093 | 11,884,245 |
| Nursery | 574,897 | 33,526 | 608,423 |
| TOTAL 2020 | 8,919,049 | 3,573,619 | 12,492,668 |

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9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

| | Total funds 2021 £ | Total funds 2020 £ |
|---------------------------------------|---------------------------------------|---------------------------------------|
| Pension finance costs | 49,000 | 50,000 |
| Staff costs | 1,960,031 | 1,838,098 |
| Depreciation | 104,030 | 96,370 |
| Staff development | 8,633 | - |
| Other costs | 25,721 | 45,482 |
| Supply teachers | - | 46,547 |
| Recruitment and support | 41,326 | 12,360 |
| Maintenance of premises and equipment | 136,951 | 156,031 |
| Cleaning | 76,223 | 54,144 |
| Rent and rates | 99,062 | 112,244 |
| Energy costs | 122,423 | 116,374 |
| Insurance | 48,266 | 114,818 |
| Security and transport | 13,274 | 5,111 |
| Catering | 551,961 | 458,132 |
| Technology costs | 248,783 | 198,533 |
| Office overheads | 151,375 | 96,012 |
| Legal and professional | 127,154 | 123,056 |
| Bank interest and charges | - | 4,791 |
| Governance | 34,507 | 45,516 |
| TOTAL 2021 | 3,798,720 | 3,573,619 |

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

| | 2021 £ | 2020 £ |
|---------------------------------------|-------------------|-------------------|
| Operating lease rentals | 24,841 | 36,659 |
| Depreciation of tangible fixed assets | 611,939 | 567,893 |
| Fees paid to auditors for: | | |
| - audit | 14,715 | 14,800 |
| - other services | 4,210 | 9,325 |

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FOR THE YEAR ENDED 31 AUGUST 2021**

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

| | 2021 £ | 2020 £ |
|---------------------------|-------------------|------------------|
| Wages and salaries | 7,308,069 | 6,931,628 |
| Social security costs | 624,614 | 563,757 |
| Pension costs | 2,419,476 | 2,150,032 |
| | <u>10,352,159</u> | <u>9,645,417</u> |
| Agency staff costs | 93,396 | 111,458 |
| Staff restructuring costs | 66,309 | 1,900 |
| | <u>10,511,864</u> | <u>9,758,775</u> |

Staff restructuring costs comprise:

| | | |
|--------------------|---------------|--------------|
| Severance payments | <u>66,309</u> | <u>1,900</u> |
|--------------------|---------------|--------------|

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs are non-contractual severance payments totalling £21,798. Individually, the payments were £12,383, £3,520 and £5,895.

c. STAFF NUMBERS

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

| | 2021 No. | 2020 No. |
|----------------------------|-------------|-------------|
| Teachers | 113 | 106 |
| Administration and Support | 267 | 263 |
| Management | 25 | 26 |
| | <u>405</u> | <u>395</u> |

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11. STAFF (CONTINUED)

d. HIGHER PAID STAFF

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

| | 2021 No. | 2020 No. |
|---------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | 2 | 4 |
| In the band £70,001 - £80,000 | 2 | 2 |
| In the band £80,001 - £90,000 | 1 | 1 |
| In the band £110,001 - £120,000 | 1 | - |

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £250,193 (2020: £234,394).

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FOR THE YEAR ENDED 31 AUGUST 2021**

12. CENTRAL SERVICES

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

- Finance support
 - Provision of various software packages
 - Staff training and support on new finance and budgeting systems
 - Budget setting and monitoring
 - Production of monthly management accounts and budget files
- Operations and procurement
 - Management of contracts and SLAs, ensuring value for money and efficiencies
 - Legal support
 - Researching and bidding for additional funding, including CIF, MOD, Salix Loans
- Human resources
 - Payroll services
 - Pension administration
 - Personnel support, advice and administration

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

During the year ended 31 August 2021, central recharges were made to each of the Academies as a direct charge for a share of the expenditure. The basis for this calculation was 5% (2020: 4%) of General Annual Grant (GAG).

The actual amounts charged during the year were as follows:

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Elburton Primary School | 79,875 | 59,220 |
| Hooe Primary Academy | 41,773 | 31,465 |
| Widewell Primary Academy | 42,300 | 31,360 |
| Pomphlett Primary School | 52,688 | 39,483 |
| Plaistow Hill Infant and Nursery School | 24,094 | 20,845 |
| Ford Primary School | 43,545 | 34,504 |
| Hyde Park Infant School | 48,938 | 36,960 |
| Hyde Park Junior School | 67,500 | 47,740 |
| Victoria Road Primary School | 42,359 | 32,407 |
| TOTAL | 443,072 | 333,984 |

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**NOTES TO THE FINANCIAL STATEMENTS
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13. TRUSTEES' REMUNERATION AND EXPENSES

The CEO only receives remuneration in respect of services they provide undertaking the role of CEO under their contract of employment and not in respect of their services as a Trustee. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: M Anderson: remuneration £85,000 - £90,000 (2020: £Nil), employer's pension contributions: £20,000 - £25,000 (2020: Nil). D Bradford: remuneration £Nil (2020: £85,000 - £90,000), employer's pension contributions: £Nil (2020: £20,000 - £25,000).

During the year, retirement benefits were accruing to 1 Trustees (2020 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2021, expenses totalling £154 were reimbursed or paid directly to 1 Trustee (2020 - £602 to 1 Trustee).

Other related party transactions involving the Trustees are set out in note 32.

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £971 (2020 - £971). The cost of this insurance is included in the total insurance cost.

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NOTES TO THE FINANCIAL STATEMENTS
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15. TANGIBLE FIXED ASSETS

| | Freehold property £ | Long-term leasehold property £ | Furniture and fixtures £ | Computer equipment £ | Assets under construction £ | Total £ |
|-----------------------|---------------------------|---|--------------------------------|----------------------------|--------------------------------------|------------|
| COST | | | | | | |
| At 1 September 2020 | 11,857,560 | 16,259,287 | 951,726 | 448,012 | - | 29,516,585 |
| Additions | 242,285 | 5,506 | 424,356 | 130,426 | 321,866 | 1,124,439 |
| Disposals | - | - | - | (750) | - | (750) |
| At 31 August 2021 | 12,099,845 | 16,264,793 | 1,376,082 | 577,688 | 321,866 | 30,640,274 |
| DEPRECIATION | | | | | | |
| At 1 September 2020 | 512,355 | 515,753 | 320,816 | 318,219 | - | 1,667,143 |
| Charge for the year | 116,069 | 271,208 | 150,162 | 74,500 | - | 611,939 |
| On disposals | - | - | - | (750) | - | (750) |
| At 31 August 2021 | 628,424 | 786,961 | 470,978 | 391,969 | - | 2,278,332 |
| NET BOOK VALUE | | | | | | |
| At 31 August 2021 | 11,471,421 | 15,477,832 | 905,104 | 185,719 | 321,866 | 28,361,942 |
| At 31 August 2020 | 11,345,205 | 15,743,534 | 630,910 | 129,793 | - | 27,849,442 |

Included in freehold property is land amounting to £6,202,362 (2020: £6,202,362) which is not depreciated.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. STOCKS

| | 2021 | 2020 |
|-------------------------------------|-------|-------|
| | £ | £ |
| Finished goods and goods for resale | 4,076 | 4,076 |

17. DEBTORS

| | 2021 | 2020 |
|--------------------------------|------------------|----------------|
| | £ | £ |
| DUE WITHIN ONE YEAR | | |
| Trade debtors | 10,846 | 15,525 |
| Other debtors | 8,848 | 15,319 |
| Prepayments and accrued income | 1,397,647 | 640,351 |
| VAT recoverable | 138,263 | 59,487 |
| | <u>1,555,604</u> | <u>730,682</u> |

**HORIZON MULTI ACADEMY TRUST
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18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|------------------------------------|------------------|----------------|
| ESFA loans | 10,608 | 10,608 |
| Trade creditors | 348,796 | 216,286 |
| Other taxation and social security | 144,912 | 140,076 |
| Other creditors | 165,525 | 210,408 |
| Accruals and deferred income | 914,941 | 366,189 |
| | <u>1,584,782</u> | <u>943,567</u> |

Included within ESFA loans are Salix loans of £13,700, £14,663, £14,900 and £9,150. All loans are repayable in six-monthly instalments over 5 years and are interest free.

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| DEFERRED INCOME | | |
| Deferred income at 1 September | 256,150 | 238,511 |
| Resources deferred during the year | 283,902 | 256,150 |
| Amounts released from previous periods | (256,150) | (238,511) |
| | <u>283,902</u> | <u>256,150</u> |

At the Balance Sheet date, £207,095 of UIFSM, £26,664 of Social, Emotional and Mental Health Funding, Rates Relief of £13,265, High Needs income of £10,535, Residential school trips of £14,452 and Supply teacher insurance income of £11,891 received in respect of the year ended 31 August 2022 were included in deferred income.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2021 £ | 2020 £ |
|------------|-----------|-----------|
| ESFA loans | 23,990 | 37,455 |

Included within ESFA loans are Salix loans of £28,750, £14,663, £14,325, £14,900 and £9,150. All loans are repayable in six-monthly instalments over 5 years and are interest free.

**HORIZON MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2021 £ |
|--|--|-------------------|---------------------|--------------------------|-------------------------|--------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| General funds | 890,079 | 964,605 | (882,222) | - | - | 972,462 |
| RESTRICTED GENERAL FUNDS | | | | | | |
| General Annual Grant (GAG) | 129,970 | 8,861,406 | (8,712,916) | (221,512) | - | 56,948 |
| High Needs | - | 218,974 | (218,974) | - | - | - |
| Teachers pension grant | - | 315,834 | (315,834) | - | - | - |
| Pupil Premium | - | 636,479 | (636,479) | - | - | - |
| Covid-19 Catch- Up Premium | - | 176,640 | (176,640) | - | - | - |
| UIFSM | 11,137 | 359,168 | (370,305) | - | - | - |
| PE & Sports grant | 13,792 | 162,530 | (135,903) | 5,044 | - | 45,463 |
| Other non DfE/ ESFA Covid-19 funding | - | 15,492 | (15,492) | - | - | - |
| Other DfE/ESFA Income | - | 199,873 | (199,873) | - | - | - |
| Other restricted funds | 22,504 | 104,675 | (127,179) | - | - | - |
| Pension reserve | (7,169,000) | - | (972,000) | - | (712,000) | (8,853,000) |
| | (6,991,597) | 11,051,071 | (11,881,595) | (216,468) | (712,000) | (8,750,589) |

**HORIZON MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2021 £ |
|---|--|-------------------|---------------------|--------------------------|-------------------------|--------------------------------------|
| RESTRICTED FIXED ASSET FUNDS | | | | | | |
| Fixed assets transferred on conversion | 17,656,021 | - | (336,063) | - | - | 17,319,958 |
| DfE/ ESFA Capital grants and restricted income | 522,009 | 62,156 | (128,220) | 204,880 | - | 660,825 |
| PTA funded assets | 26,666 | 18,285 | (2,519) | - | - | 42,432 |
| Fixed assets transferred from existing Trusts | 8,715,792 | - | (100,639) | - | - | 8,615,153 |
| Capital funds transferred on conversion | 70,171 | - | (10,545) | (16,900) | - | 42,726 |
| CIF | 1,264,947 | 1,123,089 | (24,983) | 19,347 | - | 2,382,400 |
| Gifted assets | - | 55,174 | (8,970) | - | - | 46,204 |
| Salix Loan | (49,201) | - | - | 9,141 | - | (40,060) |
| | <u>28,206,405</u> | <u>1,258,704</u> | <u>(611,939)</u> | <u>216,468</u> | <u>-</u> | <u>29,069,638</u> |
| TOTAL RESTRICTED FUNDS | <u>21,214,808</u> | <u>12,309,775</u> | <u>(12,493,534)</u> | <u>-</u> | <u>(712,000)</u> | <u>20,319,049</u> |
| TOTAL FUNDS | <u>22,104,887</u> | <u>13,274,380</u> | <u>(13,375,756)</u> | <u>-</u> | <u>(712,000)</u> | <u>21,291,511</u> |

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

Restricted Funds

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Teachers pension grant- Income from the ESFA which is to be used against the increased Teachers pension costs.

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20. STATEMENT OF FUNDS (CONTINUED)

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers.

UIFSM - This represents funding received to provide free school meals.

PE & Sports Grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Covid-19 Catch-up Premium- A one-off universal catch-up premium for the 2020/21 academic year to support children and young people to catch up lost time after school closure.

Other Non DfE/ESFA Covid-19 funding- This is Government funding received in relation to Covid-19.

Other DfE/ESFA income- This represents the other DfE/ESFA income received.

Other restricted income- This represents the other sources of restricted curriculum income.

Pension reserve - This represents the Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Restricted Fixed Asset Funds

Fixed assets transferred on conversion - This represent the buildings and equipment donated to the School from the Local Authority on conversion to an academy.

DfE/ESFA Capital Grants - These are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

PTA funded assets - This represents amounts received from the PTA towards the costs of assets.

Gifted assets- This represents the value of assets that were gifted to the Multi Academy Trust from the DfE and Rotary Club.

Fixed assets transferred from existing Trusts - This represents the land, buildings and equipment transferred into the Multi Academy Trust from existing Academies.

CIF - This represents funding awarded by the ESFA to undertake capital works.

ESFA loan - This represents Salix funding provided by the ESFA in the form of a loan to be used towards more energy efficient lighting. Repayments of £9,141 were funded from GAG.

Transfers made from restricted funds to restricted fixed asset funds represent the purchase of fixed assets from revenue funds.

Other information

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20. STATEMENT OF FUNDS (CONTINUED)

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

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2020 £ |
|--------------------------------------|--|-------------------|---------------------|--------------------------|-------------------------|--------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| General Funds | 896,559 | 1,024,513 | (935,683) | (95,310) | - | 890,079 |
| RESTRICTED FUNDS | | | | | | |
| General Annual Grant (GAG) | 64,112 | 8,368,058 | (8,320,673) | 18,473 | - | 129,970 |
| High Needs | - | 216,514 | (216,514) | - | - | - |
| Pupil Premium | - | 637,147 | (629,647) | (7,500) | - | - |
| UIFSM | - | 303,247 | (292,110) | - | - | 11,137 |
| PE & Sports grant | - | 162,320 | (141,814) | (6,714) | - | 13,792 |
| Exceptional Government funding | - | 41,417 | (41,417) | - | - | - |
| Other restricted funds | 2,979 | 571,019 | (551,494) | - | - | 22,504 |
| Pension reserve | (6,344,000) | - | (811,000) | - | (14,000) | (7,169,000) |
| | <u>(6,276,909)</u> | <u>10,299,722</u> | <u>(11,004,669)</u> | <u>4,259</u> | <u>(14,000)</u> | <u>(6,991,597)</u> |

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20. STATEMENT OF FUNDS (CONTINUED)

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2020 £ |
|---|--|-------------------|---------------------|--------------------------|-------------------------|--------------------------------------|
| RESTRICTED FIXED ASSET FUNDS | | | | | | |
| Fixed assets transferred on conversion | 17,992,084 | - | (336,063) | - | - | 17,656,021 |
| DfE/ ESFA Capital grants and restricted income | 462,771 | 105,470 | (97,646) | 51,414 | - | 522,009 |
| PTA funded assets | 30,550 | - | (3,884) | - | - | 26,666 |
| Fixed assets transferred from existing Trusts | 8,816,946 | - | (101,154) | - | - | 8,715,792 |
| Capital funds transferred on conversion | 80,623 | - | (10,452) | - | - | 70,171 |
| CIF | 999,775 | 238,916 | (18,694) | 44,950 | - | 1,264,947 |
| Salix loan | - | (43,888) | - | (5,313) | - | (49,201) |
| | <u>28,382,749</u> | <u>300,498</u> | <u>(567,893)</u> | <u>91,051</u> | <u>-</u> | <u>28,206,405</u> |
| TOTAL RESTRICTED FUNDS | <u>22,105,840</u> | <u>10,600,220</u> | <u>(11,572,562)</u> | <u>95,310</u> | <u>(14,000)</u> | <u>21,214,808</u> |
| TOTAL FUNDS | <u>23,002,399</u> | <u>11,624,733</u> | <u>(12,508,245)</u> | <u>-</u> | <u>(14,000)</u> | <u>22,104,887</u> |

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20. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

| | 2021 £ | 2020 £ |
|--|-------------------|-------------------|
| Elburton Primary School | 138,983 | 58,476 |
| Hooe Primary Academy | 54,143 | 67,039 |
| Widewell Primary Academy | 139,667 | 119,399 |
| Pomphlett Primary School | 125,558 | 166,596 |
| Plaistow Hill Infant and Nursery School | 249,503 | 240,825 |
| Ford Primary School | 92,718 | 136,157 |
| Central | 69,021 | 35,104 |
| Hyde Park Infant School | 44,885 | 56,662 |
| Hyde Park Junior School | 103,931 | 142,188 |
| Victoria Road Primary School | 56,464 | 45,036 |
| Total before fixed asset funds and pension reserve | 1,074,873 | 1,067,482 |
| Restricted fixed asset fund | 29,069,638 | 28,206,405 |
| Pension reserve | (8,853,000) | (7,169,000) |
| TOTAL | 21,291,511 | 22,104,887 |

**HORIZON MULTI ACADEMY TRUST
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20. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

| | Teaching and educational support staff costs £ | Other support staff costs £ | Educational supplies £ | Other costs excluding depreciation £ | Total 2021 £ |
|--|---|--------------------------------------|------------------------------|---|--------------------|
| Elburton Primary School | 1,365,032 | 279,570 | 73,696 | 266,215 | 1,984,513 |
| Hoe Primary Academy | 696,175 | 161,050 | 38,747 | 130,335 | 1,026,307 |
| Widewell Primary Academy | 776,902 | 126,028 | 50,033 | 163,635 | 1,116,598 |
| Pomphlett Primary School | 1,066,251 | 158,775 | 56,341 | 166,531 | 1,447,898 |
| Plaistow Hill Infant and Nursery School | 509,783 | 89,531 | 20,712 | 101,718 | 721,744 |
| Ford Primary School | 808,081 | 175,423 | 44,973 | 203,084 | 1,231,561 |
| Central | 142,578 | 173,460 | 12,256 | 107,990 | 436,284 |
| Hyde Park Infant School | 770,015 | 142,037 | 50,420 | 182,585 | 1,145,057 |
| Hyde Park Junior School | 1,098,132 | 135,159 | 60,312 | 200,765 | 1,494,368 |
| Victoria Road Primary School | 832,884 | 174,573 | 37,322 | 142,708 | 1,187,487 |
| ACADEMY TRUST | 8,065,833 | 1,615,606 | 444,812 | 1,665,566 | 11,791,817 |

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NOTES TO THE FINANCIAL STATEMENTS
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20. STATEMENT OF FUNDS (CONTINUED)

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

| | Teaching and educational support staff costs £ | Other support staff costs £ | Educational supplies £ | Other costs excluding depreciation £ | Total 2020 £ |
|--|---|--------------------------------------|------------------------------|---|--------------------|
| Elburton Primary School | 1,349,123 | 272,862 | 80,845 | 279,191 | 1,982,021 |
| Hooe Primary Academy | 672,671 | 149,133 | 39,080 | 101,840 | 962,724 |
| Widewell Primary Academy | 741,944 | 114,249 | 43,974 | 164,888 | 1,065,055 |
| Pomphlett Primary School | 894,051 | 206,521 | 50,898 | 179,810 | 1,331,280 |
| Plaistow Hill Infant and Nursery School | 501,644 | 87,788 | 16,413 | 93,436 | 699,281 |
| Ford Primary School | 776,505 | 156,260 | 40,821 | 167,932 | 1,141,518 |
| Central | 119,233 | 146,405 | 14,957 | 106,945 | 387,540 |
| Hyde Park Infant School | 774,532 | 122,250 | 27,265 | 107,378 | 1,031,425 |
| Hyde Park Junior School | 969,437 | 141,957 | 79,829 | 152,012 | 1,343,235 |
| Victoria Road Primary School | 773,084 | 153,033 | 66,767 | 192,389 | 1,185,273 |
| ACADEMY TRUST | 7,572,224 | 1,550,458 | 460,849 | 1,545,821 | 11,129,352 |

HORIZON MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ |
|-------------------------------------|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 28,361,942 | 28,361,942 |
| Current assets | 972,462 | 1,147,270 | 1,271,609 | 3,391,341 |
| Creditors due within one year | - | (1,044,859) | (539,923) | (1,584,782) |
| Creditors due in more than one year | - | - | (23,990) | (23,990) |
| Pension scheme liability | - | (8,853,000) | - | (8,853,000) |
| TOTAL | 972,462 | (8,750,589) | 29,069,638 | 21,291,511 |

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Restricted fixed asset funds 2020 £ | Total funds 2020 £ |
|-------------------------------------|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets | - | - | 27,849,442 | 27,849,442 |
| Current assets | 891,294 | 1,106,702 | 407,471 | 2,405,467 |
| Creditors due within one year | (1,215) | (929,299) | (13,053) | (943,567) |
| Creditors due in more than one year | - | - | (37,455) | (37,455) |
| Pension scheme liability | - | (7,169,000) | - | (7,169,000) |
| TOTAL | 890,079 | (6,991,597) | 28,206,405 | 22,104,887 |

**HORIZON MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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22. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Net expenditure for the year (as per Statement of Financial Activities) | (101,376) | (883,512) |
| ADJUSTMENTS FOR: | | |
| Depreciation charges | 611,939 | 567,893 |
| Interest received | (202) | (1,473) |
| Increase in stocks | - | 3 |
| Decrease/ (increase) in debtors | 218,275 | (23,052) |
| Increase in creditors | 110,705 | 161,900 |
| Capital grants from DfE and other capital income | (1,258,704) | (300,498) |
| Defined benefit pension scheme cost less contributions payable | 858,000 | 695,000 |
| Defined benefit pension scheme finance cost | 114,000 | 116,000 |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 552,637 | 332,261 |

23. CASH FLOWS FROM FINANCING ACTIVITIES

| | 2021 £ | 2020 £ |
|--|------------|---------------|
| Cash inflows from new borrowing | 14,663 | 37,750 |
| Repayments of borrowing | (13,978) | (3,837) |
| NET CASH PROVIDED FROM FINANCING ACTIVITIES | 685 | 33,913 |

24. CASH FLOWS FROM INVESTING ACTIVITIES

| | 2021 £ | 2020 £ |
|---|------------------|------------------|
| Interest received | 202 | 1,473 |
| Purchase of tangible fixed assets | (608,079) | (333,675) |
| Capital funding received from sponsors and others | 215,507 | 61,582 |
| NET CASH USED IN INVESTING ACTIVITIES | (392,370) | (270,620) |

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2021 £ | 2020 £ |
|--------------------------|-----------|-----------|
| Cash at bank and in hand | 1,831,661 | 1,670,709 |

**HORIZON MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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26. ANALYSIS OF CHANGES IN NET DEBT

| | At 1 September 2020 £ | Cash flows £ | Other non- cash changes £ | At 31 August 2021 £ |
|--------------------------|--------------------------------|-----------------|------------------------------------|---------------------------|
| Cash at bank and in hand | 1,670,709 | 160,952 | - | 1,831,661 |
| Debt due within 1 year | (10,608) | 13,978 | (13,978) | (10,608) |
| Debt due after 1 year | (37,455) | (14,663) | 28,128 | (23,990) |
| | <u>1,622,646</u> | <u>160,267</u> | <u>14,150</u> | <u>1,797,063</u> |

27. CAPITAL COMMITMENTS

| | 2021 £ | 2020 £ |
|---|----------------|---------------|
| Contracted for but not provided in these financial statements | <u>736,353</u> | <u>48,595</u> |

28. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £165,474 were payable to the schemes at 31 August 2021 (2020 - £162,387) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

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FOR THE YEAR ENDED 31 AUGUST 2021**

28. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,028,944 (2020 - £947,512).

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

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

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 2021 was £709,000 (2020 - £635,000), of which employer's contributions totalled £553,000 (2020 - £491,000) and employees' contributions totalled £ 156,000 (2020 - £144,000). The agreed contribution rates for future years are 17.6 per cent for employers and 5.5-12.5 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

| | 2021 | 2020 |
|--|------|------|
| | % | % |
| Rate of increase in salaries | 3.9 | 3.25 |
| Rate of increase for pensions in payment/inflation | 2.9 | 2.25 |
| Discount rate for scheme liabilities | 1.65 | 1.60 |

**HORIZON MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

28. PENSION COMMITMENTS (CONTINUED)

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

| | 2021 Years | 2020 Years |
|----------------------|-----------------------|-----------------------|
| Retiring today | | |
| Males | 22.7 | 22.9 |
| Females | 24 | 24.1 |
| Retiring in 20 years | | |
| Males | 24 | 24.3 |
| Females | 25.4 | 25.5 |

SENSITIVITY ANALYSIS

| | 2021 £000 | 2020 £000 |
|--|----------------------|----------------------|
| Discount rate +0.1% | 389 | 305 |
| Discount rate -0.1% | 400 | 314 |
| Mortality assumption - 1 year increase | 591 | 420 |
| Mortality assumption - 1 year decrease | 569 | 406 |
| CPI rate +0.1% | 357 | 279 |
| CPI rate -0.1% | 348 | 271 |

SHARE OF SCHEME ASSETS

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

| | 2021 £ | 2020 £ |
|-------------------------------------|-------------------|-------------------|
| Equities | 4,222,000 | 3,018,000 |
| Corporate bonds | 1,618,000 | 1,053,000 |
| Property | 539,000 | 402,000 |
| Cash and other liquid assets | 41,000 | 58,000 |
| Other | 326,000 | 525,000 |
| TOTAL MARKET VALUE OF ASSETS | 6,746,000 | 5,056,000 |

The actual return on scheme assets was £1,076,000 (2020 - £19,000).

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28. PENSION COMMITMENTS (CONTINUED)

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

| | 2021 £ | 2020 £ |
|---|--------------------|--------------------|
| Current service cost | (1,411,000) | (1,186,000) |
| Interest income | 82,000 | 81,000 |
| Interest cost | (196,000) | (197,000) |
| TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES | (1,525,000) | (1,302,000) |

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

| | 2021 £ | 2020 £ |
|------------------------|-------------------|-------------------|
| AT 1 SEPTEMBER | 12,225,000 | 10,654,000 |
| Current service cost | 1,411,000 | 1,186,000 |
| Interest cost | 196,000 | 197,000 |
| Employee contributions | 156,000 | 144,000 |
| Actuarial losses | 1,702,000 | 163,000 |
| Benefits paid | (91,000) | (119,000) |
| AT 31 AUGUST | 15,599,000 | 12,225,000 |

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

| | 2021 £ | 2020 £ |
|------------------------|------------------|------------------|
| AT 1 SEPTEMBER | 5,056,000 | 4,310,000 |
| Administration expense | (4,000) | (3,000) |
| Interest income | 86,000 | 84,000 |
| Actuarial gains | 990,000 | 149,000 |
| Employer contributions | 553,000 | 491,000 |
| Employee contributions | 156,000 | 144,000 |
| Benefits paid | (91,000) | (119,000) |
| AT 31 AUGUST | 6,746,000 | 5,056,000 |

**HORIZON MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

29. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2021 £ | 2020 £ |
|--|---------------|---------------|
| Amounts payable | | |
| Not later than 1 year | 13,335 | 24,841 |
| Later than 1 year and not later than 5 years | 4,156 | 17,491 |
| | <u>17,491</u> | <u>42,332</u> |

30. MEMBERS' LIABILITY

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

31. GENERAL INFORMATION

Horizon Multi Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is 81 Sisna Park Road, Unit 21, Plymouth, Devon, PL6 7AE.

32. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the year:

During the year, the Academy Trust paid £Nil (2020: £956) to NMA Operations Limited, a company in which D Bradford and M Orchard are directors. They are no longer directors or members of Horizon Multi Academy Trust therefore NMA Operations Limited is no longer a related party.

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 13.