

Hook-with-Warsash Church of England Academy
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2023

Company Registration Number:
08153776 (England and Wales)

Hook-with-Warsash Church of England Academy

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Hook-with-Warsash Church of England Academy

Reference and Administrative Details

Members

Signatory Member

Mr Richard Johnson

Appointed Members

Mr Darren Nice

Mr Luke Bailey

Mr Nick St John (Foundation)

Mr Iain Wilkie (Foundation)

Non-Governor Members

Mr Richard Appleby

Mrs Eleanor Dannan

Mrs Gill Gailor

Mr Simon Lowes

Trustees

First Governors (Appointed)

Mr Richard Johnson* (resigned 17 October 2022)

Mr Darren Nice*#

Appointed Governors (Foundation)

Rev Mike Terry (Incumbent)

Mrs June Ward

Mrs Anne Ford*

Mrs Gemma Winterton (appointed 1 November 2022)

Elected Governors (Parent)

Mr Paul Caiger-Watson*

Mrs Clare Denyer

Appointed Governors (Parent)

Miss Chrissy Forder

Elected Governors (Staff)

Miss Julie Nunn (Support Staff)

Miss Emily Ransley (Teacher)*

Appointed Governors

Mr Luke Bailey (Chair)*#

Mr Iain Wilkie*# (resigned 2 May 2023) (appointed 15 May 2023)

Mrs Kate Bartlett

Mrs Heidi Healey# (resigned 21 July 2023)

Mr Ian Downie

Mrs Rebecca Graham* (resigned 4 October 2023)

Mrs Ernestine (Glynis) Osborne*

Mr Matt Ellis* (appointed 1 September 2022)

Mrs Julia Birt*# (appointed 1 November 2022)

Headteacher

Mrs Sara Willoughby*#

*Members of The Resources Committee during the year

Members of the Governance & Audit Committee

Company Secretary

Mrs Louise Tanner

Hook-with-Warsash Church of England Academy

Reference and Administrative Details

Senior Management Team

Mrs Sara Willoughby, Headteacher/Accounting Officer

Mr David Trotman, Deputy Headteacher

Mrs Ann Willmott, Business Manager (Chief Financial Officer)

Company Name

Hook-with-Warsash Church of England Academy

Principal and Registered Office

Church Road

Warsash

Southampton

Hampshire

SO31 9GF

Company Registration Number

08153776 (England and Wales)

Independent Auditor

Hopper Williams & Bell Limited

Statutory Auditor

Highland House

Mayflower Close

Chandlers Ford

Eastleigh

Hampshire

SO53 4AR

Bankers

Lloyds Bank Plc

43 West Street

Fareham

Hampshire

PO16 0BE

Solicitors

Paris Smith LLP

1 London Road

Southampton

Hampshire

SO15 2AE

Hook-with-Warsash Church of England Academy

Trustees' Report

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

The Trust operates a two-form entry Church of England Primary Academy serving a catchment area to the west of Fareham.

It has a pupil capacity of 420 and had a roll of 406 in the school spring census.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Hook-with-Warsash Church of England Academy are also the directors of the charitable company for the purposes of company law. The charitable company operates as Hook-with-Warsash Church of England Academy.

Details of the Trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

The Companies Act 2006 s236 requires disclosure concerning qualifying third-party indemnity provisions.

Since 2019/20 indemnity has been provided by the Risk Protection Arrangement (RPA), with cover as follows:

- The RPA Administrator will subject to the Definitions, Extensions, Exclusions and Conditions of the Rules indemnify:
 - o the Member in respect of losses arising as a result of indemnifying an indemnified Person in accordance with its legal obligations, for loss arising from claims made against the Indemnified Person, during a Membership Year;
 - o in an Inactive Academy Trust that is a former Member in respect of losses arising as a result of indemnifying an Indemnified Person in accordance with its legal obligations, for loss arising from claims made against the Indemnified Person, during a Membership Year or any subsequent period up to the point the Inactive Academy Trust is dissolved.

Hook-with-Warsash Church of England Academy

Trustees' Report

Trustees' Indemnities (continued)

Provided always that the RPA Administrator shall not be liable:

- for any claim where the cause of such claim occurred or that was alleged to have occurred prior to the date of the signing of the funding agreement for the relevant academy;
- to the extent that an indemnity is provided by an insurance policy;
- for claims that the Member had prior knowledge of before opting to join the RPA; and
- for claims from an Inactive Academy Trust that was not a Member at the point in time that it became inactive.

The RPA Administrator's Limit of Liability in respect of each academy shall be £10,000,000 each and every loss and shall be the maximum aggregate liability of the RPA Administrator from all losses from an academy whose Academy Trust is a Member during any one Membership Year.

The Member Retention is Nil.

Method of Recruitment and Appointment or Election of Trustees

The Full Governing Body consists of 20 Members constituted as follows:

- Two Parent Governors elected by secret ballot of parents of pupils attending the Academy, or, in the event of there being few candidates than available places on the Governing Body, appointed by the Governing Body;
- Ten First Governors or Governors appointed by the Members of the Academy Trust;
- One Co-Opted Governor appointed by the Governors;
- Four First or Appointed Foundation Governors (one of whom is, ex officio, the incumbent), nominated by the Parochial Church Council and appointed by the Foundation Members of the Academy Trust (in practice the Foundation Members would be unlikely to appoint any person opposed by the Portsmouth and Winchester Diocesan Board of Education);
- The Headteacher (ex officio); and
- Two Staff Governors one of whom shall be a teacher, elected by secret ballot of the staff of the Academy.

At the beginning of the academic Year, the Members of the Trust meet to review pending vacancies on the Governing Body, and instruct the Company Secretary to put in place, at the appropriate times, the procedures necessary for the appointment or election of Governors.

Vacancies for Appointed Governors are advertised on both the Academy and the Church website, on the Academy's Facebook page and on Hantsweb. In addition, FBC, Warsash Residents' Association and both Portsmouth and Southampton Universities are informed. Governors use their own networks with local businesses to make vacancies known to the wider community and vacancies are also advertised in the Parish News. Use is also made of Governors for Schools and Inspiring Governance, with variable results.

Hook-with-Warsash Church of England Academy

Trustees' Report

Method of Recruitment and Appointment or Election of Trustees (continued)

Vacancies for Parent Governors are publicised on the Academy website, in the Headteacher's regular communications to parents, through Governors meeting parents at Parents' Evenings and on the Academy's Facebook page. Elections are then held in accordance with the Articles of Association and HCC procedures.

Vacancies for Staff Governors are publicised at Staff Meetings and elections, where necessary, are by secret ballot.

An annual skills audit is carried out which helps to inform the governing body as to which skills are sought when advertising for new Governors.

Policies and Procedures Adopted for the Induction and Training of Trustees

New Governors are issued with a copy of the current Governors' Handbook giving information on:

- Where do I Start? – Guidance for new Governors;
- Details of the Governing Body;
- Training Opportunities;
- Scheme of Delegation;
- Committees, Working Groups, Panels & Other Groups;
- Insurance/Legal Protection for Governors;
- Useful websites;
- Pen Portraits of Current Governors;
- Governing Body Committee Membership & those in Attendance 2022/23;
- Governing Body Officers 2022/23;
- Governing Body Terms of Reference 2022/23;
- Governing Body Policies;
- Financial Roles and Responsibilities;
- Guidance on Visits to the Academy by Governors;
- Meeting Dates 2022/23;
- Governing Body Cycle of Business 2022/23;
- Governors' Statutory Responsibilities; and
- Glossary of Terms.

In addition, new governors are issued with a copy of the Articles of Association and a breakdown of the Governing Body's discharge of its statutory duties.

The Academy purchases full access to face-to-face and on-line Governor Training provided by HCC and details of training opportunities are posted on the Governors' Portal of the Academy website.

New Governors attend Induction Training organised by HCC.

Hook-with-Warsash Church of England Academy

Trustees' Report

Policies and Procedures Adopted for the Induction and Training of Trustees (continued)

HCC GovernorHub requires that individual Governors book their own training but liaise with the Development Training Governor.

New Governors meet with the Chair of Governors and the Headteacher and are expected to attend a round of committee meetings before opting to join a particular committee. (In the event of a specific, identified vacancy, new Governors may be asked to join a particular committee, in order to meet the Governing Body's strategic and operational needs).

Mrs Julia Birt, the Development and Training Governor is responsible for guiding new (and established) Governors to appropriate training and through their induction.

During 2021/22 the induction programme was reviewed and updated, and this is currently undergoing a further review, together with the Governor's Handbook.

Organisational Structure

The organisational and operational structure is detailed in the Scheme of Delegation which is published on the Academy's website.

There are two main committees that have some delegated powers, meet twice termly and report to the Full Governing Body:

- Pupil Discipline, Curriculum & Early Years;
- Resources.

The delegated powers of these committees are defined in their Terms of Reference, with all decisions being reported to the Full Governing Body for ratification.

There are three additional committees that meet at least once a term:

- Forging Links;
- Governance and Audit;
- Pay and Appraisal.

The areas of responsibility of these committees are defined in their Terms of Reference, with all decisions being reported to the Full Governing Body for ratification.

A standing Marketing, Promotion & Media Working-Group was established in June 2018 with the primary aim of ensuring that the Academy roll is full. This group has been largely responsible for the establishment and ongoing maintenance of the Academy's Facebook presence and now meets on an ad-hoc basis, as required.

Hook-with-Warsash Church of England Academy

Trustees' Report

Organisational Structure (continued)

The Resources Committee established a Strategic Development Working Group in September 2018 to consider the medium and longer-term financial landscape. The Working Group's investigations covered a range of considerations, including the possibility of forming or joining a Multi-Academy Trust (MAT). In recent years it has become increasingly apparent that parents require access to more wraparound care than the Academy can currently provide, and the working group have therefore been focussing on the extending of this provision.

Governing Body Panels relating to staff discipline, discipline appeals, or complaints are convened as required.

As a result of effective chairing of Full Governing Body and Committee meetings, the prompt writing and circulation of accurate minutes and the use of the Governors' Portal of the Academy website and of Academy based e-mail accounts, lines of internal communication and accountability are secure.

The Headteacher is the lead professional of the Academy and as such:

- manages the Academy, including its financial position, at a strategic and operational level;
- has the responsibility for the day-to day management of the Academy, including quality of teaching, & educational standards, Human Resources and effective systems of internal control;
- leads and manages all employees of the Academy;
- has a key role to involve the Governing Body when drawing up the Academy Strategic Plan;
- ensures that the Strategic Plan is implemented and that the Governing Body is fully involved in monitoring that implementation;
- has authority for all tasks delegated by the governing body but not responsibility;
- has delegated authority for:
 - o individual items of non-staffing expenditure (in line with the Strategic Plan) not exceeding £1,000;
 - o amendments to the budget which do not exceed £1,000 and which do not increase the total expenditure beyond the budget agreed by the Governing Body;
 - o alterations to the budget to reflect resources made available by the Local Authority (LA) for Educational Health Care Plans and cases of extended sickness;
- as Accounting Officer, has personal responsibility for:
 - o the propriety and regularity of public finances for which she is answerable.
 - o keeping proper accounts and ensuring that financial statements are properly presented and adequately supported;
 - o prudent and economical administration;
 - o avoidance of waste and extravagance;
 - o ensuring value for money;
 - o efficient and effective use of resources in their charge;
 - o advising the Members of the Academy Trust in writing if the Governing Body appears to be failing to act as required by the terms of the Handbook or Funding Agreement.

Hook-with-Warsash Church of England Academy

Trustees' Report

Organisational Structure (continued)

The Business Manager is the Chief Financial Officer and is responsible for day-to-day procedures e.g.:

- processing orders and invoices, collection and banking of dinner money, trips, petty cash, etc.;
- ensuring accuracy of accounting information;
- providing appropriate financial reports for Headteacher and for Governors;
- assisting with other financial tasks e.g., budget preparation, costing the Strategic Plan and managing the devolved capital budget;
- ensuring appropriate documentation is available to support financial management.

Arrangements for setting pay and remuneration of key management personnel

All arrangements for setting pay and remuneration of staff are carried out in accordance with the:

- Appraisal of Teachers' Performance Policy;
- Support Staff Performance Management Policy;
- Teachers' Pay Policy;
- Support Staff Pay Policy;

These are reviewed in detail annually by the Pay and Appraisal Committee and, following consultation with staff, ratified by the Full Governing Body.

In setting pay and remuneration, Governors are mindful of the Department for Education (DfE) Guidance – Setting Executive Salaries: Guidance for Academy Trusts.

The Headteacher's Appraisal is carried out by a panel of three Governors, supported by an external advisor appointed by the Governing Body. In accordance with the Appraisal of Teachers' Performance Policy, the Headteacher's targets are set at a meeting of the panel at the beginning of the Autumn Term. These confidential targets relate to Academy Performance and the Published Annual Strategic Plan. Review meetings are held during the year with a final formal meeting at the end of the Summer Term. The Pay and Appraisal Committee decides on any pay progression for the Headteacher, on the basis of a report from this final meeting, at a further meeting at the beginning of the following Autumn term. This meeting also confirms the Headteacher's Salary range for that year.

The Assistant/Deputy Headteachers' Appraisal is carried out by the Headteacher. In accordance with the Appraisal of Teachers' Performance Policy, the Assistant/Deputy Headteachers' targets are set at a meeting at the beginning of the Autumn Term. These confidential targets relate to Academy Performance and the Published Annual Strategic Plan. Review meetings are held during the year with a final formal meeting at the end of the Summer Term. The Pay and Appraisal Committee decides on any pay progression for the Assistant /Deputy Headteachers, on the basis of a report from this final meeting, at a further meeting at the beginning of the following Autumn term. This meeting also confirms the Assistant/Deputy Headteachers' Salary range for that year.

Other Members of the teaching staff are appraised by the Headteacher and the Assistant/Deputy Headteachers' and a similar pattern of deciding on any pay progression is followed.

Hook-with-Warsash Church of England Academy

Trustees' Report

Arrangements for setting pay and remuneration of key management personnel (continued)

The Business Manager (Chief Financial Officer)'s Performance Management is carried out by the Headteacher. In accordance with the Support Staff Performance Management Policy, appropriate targets are set at a first meeting of the cycle in April. Review meetings are held during the year with a final formal meeting the following January. The Pay and Appraisal Committee decides on any pay progression, on the basis of a report from this final meeting, at a further meeting in January.

The Performance Management of other members of the Support Staff is arranged in accordance with the published policy and a similar pattern of deciding on any pay progression is followed.

Trade union facility time

The Academy has less than 49 Full-time employees and is therefore not required to report on Trade Union Facility Time.

Related Parties and other Connected Charities and Organisations

The Academy is connected to the Diocese of Portsmouth and, specifically with the Parish Church of St Mary's, Hook-with-Warsash.

Through subscription to HCC Governor Services, the Academy is a member of the Hampshire South-East Governors' Forum.

Objectives and Activities

Objects and Aims

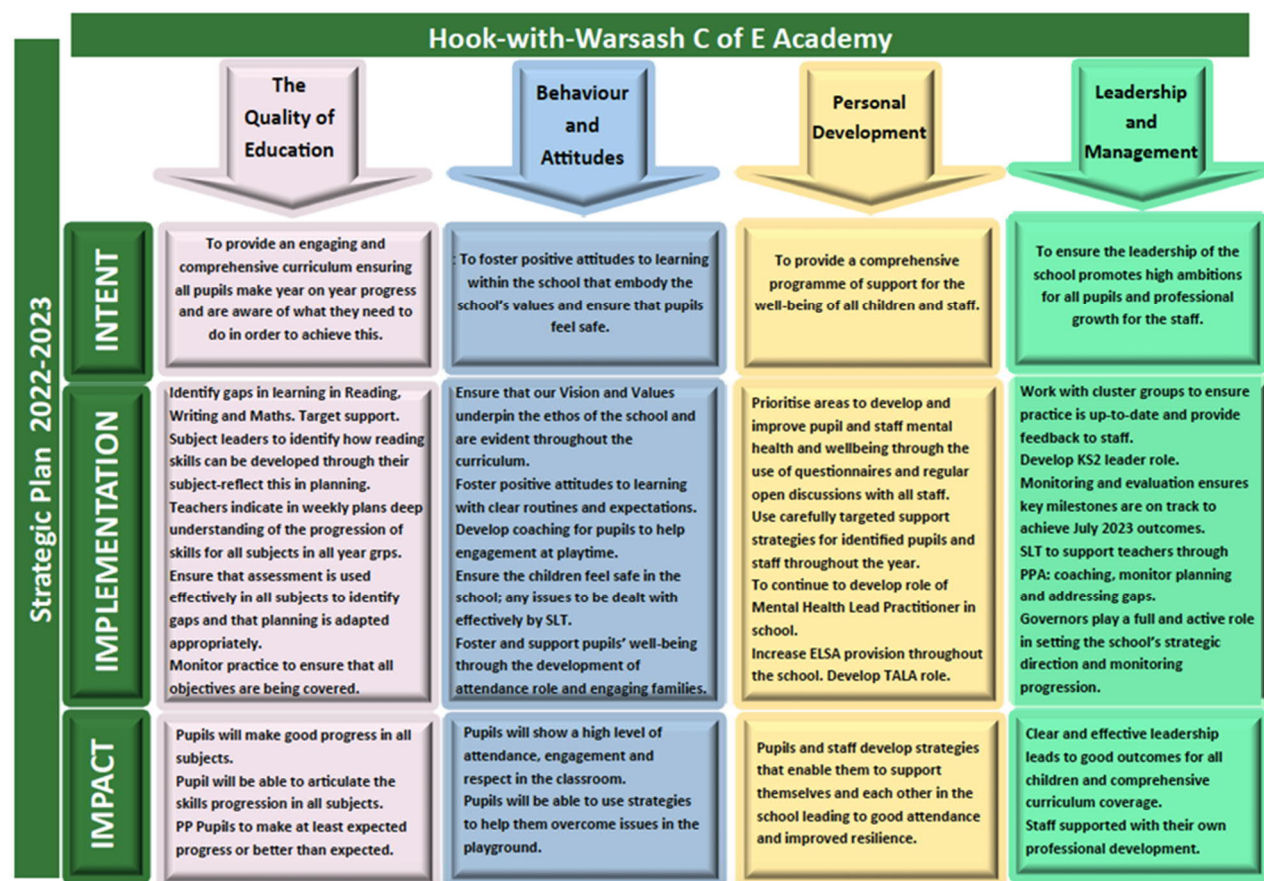
The Objects of the Academy Trust are those explicitly and implicitly detailed in the Articles of Association:

- to provide the strategic lead to a high-quality Primary School with a Church of England character, offering a broad and balanced curriculum to pupils in Warsash and its immediate vicinity, thus creating a happy, secure and stimulating learning environment based on Christian principles in which all Members of the Academy community can grow in self-esteem and develop their potential as human beings;
- to provide recreational and other leisure facilities for the inhabitants of Warsash and its immediate vicinity, particularly those who suffer social and other disadvantage.

Hook-with-Warsash Church of England Academy

Trustees' Report

Objectives, Strategies and Activities
Strategic Plan September 2022-23



Additional Strategic Commitments 2022-23

Resources

- Investigate improvement to Wi-fi in Teachers' workroom and Environmental classroom;
- Continue to maintain a rolling programme for the replacement of IT hardware and to investigate ways to future proof the school's ICT infrastructure;
- Submit an application for Condition Improvement Funding for the repair of the roof in the central part of the school;
- Investigate options for reducing the school's carbon footprint inc. solar panels;
- Repair or replace entrance gates to the school;
- Assess external woodwork around the site and put rolling programme in place to improve these.

Hook-with-Warsash Church of England Academy

Trustees' Report

Objectives, Strategies and Activities (continued)

Wider Community Links

- Maintain excellent links with the Church;
- Develop cluster school initiatives;
- Continue to ensure the increased use of the site by adult and children's groups, during term time and school holidays, including use of the Environment Area;
- Continue to seek to improve external signage;
- Further develop links with Care Homes;
- Further develop pupil links with pre-schools;
- Continue marketing strategies to promote the school within the community and wider area.

Governance

- Recruit new Governors from across the community as necessary;
- Maintain forward financial planning to ensure sustainability;
- Embed induction processes for new Governors;
- Continue to develop the sophistication of monitoring by Governors;
- Ensure that all Safeguarding measures remain up-to-date and fully implemented;
- Update the Business Continuity Plan and review in light of demands placed on the school;
- Continue exit interviews/questionnaires for Staff and Governors to inform planning;
- Keep up to date with Government's plans regarding Academisation.

Pupil Voice

- The Collective Worship Council will continue to play an active role in Collective Worship, including continuing to develop new themes;
- Year 6 Prefects will reward positive behaviour from younger pupils and consider how they can further develop their role in the school;
- Continue to allow the School Council to identify priority projects and initiatives in the school and to raise funds where necessary. Invite a Governor to attend a School council meeting at some point through the year;
- Governors to maintain and develop opportunities to meet groups of pupils and continue the Adopt-a-Governor programme to 'hear' the pupil voice;
- Eco-warriors will continue to develop ways to encourage recycling and expand eco-friendly behaviours from pupils, staff and parents/carers.

Hook-with-Warsash Church of England Academy

Trustees' Report

Public Benefit

In setting our objectives and planning our activities the Governors have carefully considered the Charity Commission's general guidance on public benefit.

In particular, they satisfy the benefit aspect of public benefit by ensuring that the purposes of the Academy are for the advancement of its pupils for an education purpose. The public aspect of the public benefit is satisfied as the Academy benefits the public in general by admitting pupils to the Academy according to agreed admission criteria that disbars no particular group. The Academy also, increasingly, makes its facilities available for community use.

Strategic Report

Achievements and Performance

In order to assess the achievements of the Academy Trust we refer to pupil progress and attainment indicators as defined by the Academy's own tracking and national attainment and progress indicators. The analysis below indicates pupil outcomes with regard to the Key Stage 1 & Key Stage 2 SATs 2022 results and Phonics. These results are unvalidated and subject to change.

Early Years End of Year Data Summer 2023

Year group	Reading		Writing		Maths		GLD
	Emerging	GLD	Emerging	GLD	Emerging	GLD	
EYFS 2022	17	83	33	67	16	84	65
EYFS 2023	5	93	25	75	11	89	71

We have seen a rise at the expected levels in reading, writing and number and in the overall GLD figure compared to 2022. This shows the impact of the changes in the curriculum at the start of the year which reflected the gaps in the children's experiences, understanding of phonics, their listening skills and independence.

Key Stage 1 Data Summer 2023

	Reading			Writing			Maths		
	WTS-	EXS+	GDS	WTS-	EXS+	GDS	WTS-	EXS+	GDS
Yr2-2022	14	87	20	15	85	18	13	87	18
Yr2-2023	15	85	29	19	81	25	14	87	27

Key stage 1 results are in line with last year's results. There is a slight increase in WTS but this reflects the make-up of the cohort. The increase in WTS explains why the EXS+ results are lower than last year despite a slight rise in the GDS level.

Hook-with-Warsash Church of England Academy

Trustees' Report

Achievements and Performance (continued)

Phonics Summer 2023

Yr 1 Phonics	This year's threshold was 32 – School 2023 = 88% pass (National – 79%) School 2022 result was 84% pass
Yr 2 Phonics	This year's threshold was 32 – School 2023 = 57% pass (4 out of 7 children) (National– 59%) School 2022 result was 43% (3 out of 7 children)

This year's phonic results have improved compared to 2022. This reflects the impact of the move to Monster phonics in September.

Year 4 Multiplication Tables Check Summer 2023

Year 4 MTC 2023 Average Points Score (APS)	School 2022 APS	2022 National APS
20	17.5	19.8

SATs Results

KS1

Subject	National 2023 Pupils who achieved the Expected standard.	Hook with Warsash 2023 Pupils who achieved the Expected standard.
Reading	68	85
Writing (TA)	60	81
Maths	70	87
Combined Result	56	79

KS2

Subject	National 2023 Pupils who achieved the Expected standard.	Hook with Warsash 2023 Pupils who achieved the Expected standard.
Reading	73	77
Writing (TA)	71	78
SPaG	72	72
Maths	73	77
Combined Result	59	66

Hook-with-Warsash Church of England Academy

Trustees' Report

Achievements and Performance (continued)

Disadvantaged Pupils

Children who fell into the Pupil Premium category received focused catch-up sessions in school during the Spring and Summer term. This was provided by teaching staff in small group sessions. Class teachers identified areas to be worked on and guided the teachers leading the sessions.

Triangulated Data related to Teaching

Based on the SLT's Learning Walks, Work Scrutiny and Lesson Observations, comparative overall data for teaching for the Autumn and Summer Terms was as follows:

Date	Good	Outstanding
Autumn	82%	18%
Summer	68%	32%

Other areas of success during the year included:

- meeting the targets set by the Governing Body in its Statement of Internal Control to enhance the quality of Governance by:
 - o In accordance with DfE guidelines, completing the process of appointing additional Members of the Academy Trust who are not Governors of the Academy in order to ensure that there is a "significant degree of separation between the individuals who are members and those who are Trustees (governors)" so that members can exercise their powers with objectivity";
 - o In accordance with the letter from Eileen Milner, Accounting Officer, ESFA, to Academy Accounting Officers, stating that, Chairs must receive financial reports every month, the current robust system of twice termly reporting to the Resources Committee and thence to the Full Governing Body, supported by a regular programme of financial checks led by the Internal Audit Officer and monthly financial statements being made available to the Chair of the Resources Committee, was augmented by monthly reports being copied to the Chair of Governors;
 - o Ensuring that bank reconciliations are evidenced as being reviewed throughout the year by someone independent of the preparer (Audit Findings);
 - o Establishing a system of annual salary statements for support staff (Audit Findings).
- the strategic lead given by the Governing Body (see pages 10-13 and 20-21);
- a very successful SIAMS inspection where the school was graded good, with an excellent grading given for Collective Worship (Feb 23);
- the quality of leadership of Academy development given by the SLT;
- the ongoing rigorous and wide-ranging monitoring of the quality of teaching across the Academy by the Senior Management, and the monitoring of this process by the Governing Body;
- throughout the year all lessons were judged as at least 'good' or better (see above);
- the robust Strategic Plan, which continued to address issues related to pupil progress and factors impacting on that progress;

Hook-with-Warsash Church of England Academy

Trustees' Report

Achievements and Performance (continued)

- the continuing high level of quality monitoring carried out by Governors in support of the Academy;
- the continuation of the Adopt-a-Governor initiative;
- the reintroduction of a very successful year 6 residential visit to France following the relaxing of Covid restrictions;
- the further development of more substantive links with the Church;
- the continuing involvement of the School Council in the development of pupil initiatives;
- the role of the Collective Worship Council in the ongoing development of Collective Worship;
- the continuing process of upgrading and maintaining the ICT Infrastructure and equipment, within the context of a two/three-year plan;
- the greater use of Academy website, together with regular letters from the Headteacher and the Chair of Governors and the Academy's new Facebook presence to improve communication with stakeholders;
- the embedded use of the Governors' Portal, which has greatly improved communication and increased the efficiency of Governance;
- the continuing support of the Academy by parents, with the Parent Teacher and Friends Association (PTFA) raising in excess of £20,000 during the year – greatly appreciated by Governors, staff and pupils alike.

Key Performance Indicators

The Academy has an income that is set by national criteria. It considers Benchmarking activities, although variations in organisational structures and accounting procedures between Academies can limit the value of the exercise, in order to review its performance against Academies operating in a similar manner. In particular, consideration is given to employee and other costs and overall expenditure against pupil performance to ensure that the Academy gives value for money.

Governors' Skills are kept under review and during 2022/23 it was identified that there is a greater need for financial skills within the governing body which has therefore been fed into the new Governor recruitment process.

Going Concern

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

Hook-with-Warsash Church of England Academy

Trustees' Report

Financial Review

The principal source of funding for the Academy is the ESFA. A detailed Academy Strategic Plan is prepared (see pages 10-11) and this plan ensures that financial decisions are made which support the key objectives of the Academy Trust.

The principal financial management policies adopted and/or reviewed during the year are:

- Anti-Fraud & Corruption Policy;
- Charging & Remission Policy;
- Competitive Tendering Policy;
- Debt Recovery Policy;
- Finance Policy
 - o Appendix 1 – Financial Roles and Responsibilities;
 - o Appendix 2 – Best Value Statement;
 - o Appendix 3 – Statement of Financial Expectations;
 - o Appendix 4 – Annual Statement of Internal Control;
- Reserves Policy;
- Sponsorship Policy.

The Accounting Officer and the Business Manager (Chief Financial Officer) in consultation with the Resources Committee have used sound and prudent financial management during the year. The budgeted in year surplus for 2022/23 of £35,827 was reduced at Budget Revision in March 2023 to a potential deficit of £616 as it was obvious that appropriate further cost savings could be made during the year. As a result of additional staffing expense following the Covid pandemic and the redevelopment of the Early Years outside area, it was also recognised that additional savings would be optimised during 2022-23 with internal rather than external maternity cover. By the end of the year the situation had improved to a surplus of £32,732 (excluding restricted pension and fixed asset reserves); some reduced expenditure on IT equipment; and savings from the non-spending of an emergency fund for Covid related issues.

The Academy Trust has £153,105 invested at Lloyds Bank on a 32-day renewable basis with an interest rate of 2%, and £203,985 invested at Lloyds Bank in a one-year fixed account with an interest rate of 2.30%. The Resources Committee reviews the Investment Policy annually and reviews its investment position at each meeting.

Hook-with-Warsash Church of England Academy

Trustees' Report

Reserves Policy

The Reserves Policy, as amended in May 2023 stated, "Our aim is to use the allocated funding each year for the full benefit of our current pupils". However, we also consider it necessary to carry forward some reserves:

- to provide sufficient working capital to cover delays between spending and receipt of grants;
- to invest in future years' priorities for the children at the Academy, specifically the completion of any necessary significant repairs to the fabric of the building, including any Academy Contribution towards the funding of any project for which a successful application for a CIF grant is submitted;
- to exercise due prudence in a situation in which there remains some financial uncertainty due to:
 - o possible changes in Government policy and possible adverse changes in funding;
 - o HCC's admissions procedures in the immediate area;
 - o a support fund for the Academy's self-insurance against staff absence;
 - o a support fund for any non-recoverable additional expenses incurred by the Academy in respect of the current Coronavirus Pandemic.

In exceptional circumstances, the Governing Body may decide to hold temporarily a larger contingency reserve, in which case the decision will be made at a meeting of the Full Governing Body and be minuted.

The total value of funds (as audited) at 31 August 2023 is as follows:

- Unrestricted (free) reserves of £208,412 (2022: £180,871)
- A restricted fixed asset fund of £3,654,136 (2022: £3,697,157), which can only be realised through disposal of tangible fixed assets
- A pension deficit of £50,000 (2022: £195,000)
- Other restricted funds of £265,342 (2022: £260,151)
- Total funds of £4,077,890 (2022: £3,943,179)

The total of restricted and unrestricted income funds is £473,754 (2022: £441,022).

The projected revenue surplus on the 1 September 2023 - 31 August 2024 budget is £1,258, giving a cumulative surplus (balance in hand) of £475,012.

The budget set supports the priorities identified in the Strategic Plan.

No fund is materially in deficit.

Investment Policy

The Academy Trust ensures that investment decisions are made where it can maximize income for the Academy by investing rather than holding cash balances. Currently £357,090 is invested in Lloyds Bank (see above). It is anticipated that all investments will be tied to the bank that the Academy Trust chooses to hold and manage its cash balances.

Hook-with-Warsash Church of England Academy

Trustees' Report

Principal Risks and Uncertainties

The Academy faces the uncertainty of the possibility of diminishing public resource as it is entirely state funded. This uncertainty has also been exacerbated by current national economic and financial uncertainty. The principal risk to the Academy pertains to pupil numbers as its income is dependent on the number of pupils on roll but the Governing Body considers this risk is reduced due to the additional housing developments that fall within the school's catchment area, the impact of which has started to take effect from September 2023. Building works have commenced for in excess of 400 dwellings on a number of development sites within the school catchment area and some new pupils have already joined the school as a result.

The Academy admitted 60 pupils (against a PAN of 60) for its Year R intake in September 2023. The most recent census in October 2023 was 413 (against a PAN of 420), since when pupil numbers have further increased to 419. Although the Governing Body recognises that numbers can fluctuate our projections are that future demand will maintain a full intake each year.

The Academy has recently appointed a new senior site manager part of whose responsibility is to help ensure that the trust's estate continues to be safe, well-maintained and complies with regulations, and where financial expense is expended, in a cost effective manner.

The Governing Body is aware of the Government's policy to establish MATs and the White Paper and will keep this under review.

The Governing Body is also concerned by:

- the implications of the ongoing underfunding of National Teacher's Pay Awards;
- the 'hidden' reduction in the funding of 'front-line' educational services, and awaits with interest the outcome of recent political statements on educational funding;
- the volatility of Global utility prices. The Academy changed Gas & Electricity provider in July 2023 to take advantage of a two-year fixed term contract that expires in October 2025;
- the age of the Academy buildings which are likely to require more ongoing maintenance in the future to keep all children and staff safe whilst complying with current health & safety legislation without additional central Government funding to assist;
- the unsuccessful CIF bids over several years which have had an impact on the Academy.

Fundraising

As part of its work within the community, the Academy Trust undertakes fundraising activities, for example through fetes, cake sales, non-uniform days and other projects identified by the School Council. The Academy Trust raises funds in order to support its own operations and also to make donations to local and national charities. The Academy Trust undertakes all such activities itself, with the help of its students and their families. We confirm that when fundraising:

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

Hook-with-Warsash Church of England Academy

Trustees' Report

Plans for Future Periods

The key objectives for the future are to continue to maintain and improve standards, attainment, progress and well-being of pupils and the well-being of staff. As in previous years an annual strategic review will be undertaken with this in mind, and detailed actions, including any necessary revisions to the Academy Strategic Plan, formulated as a result of this review.

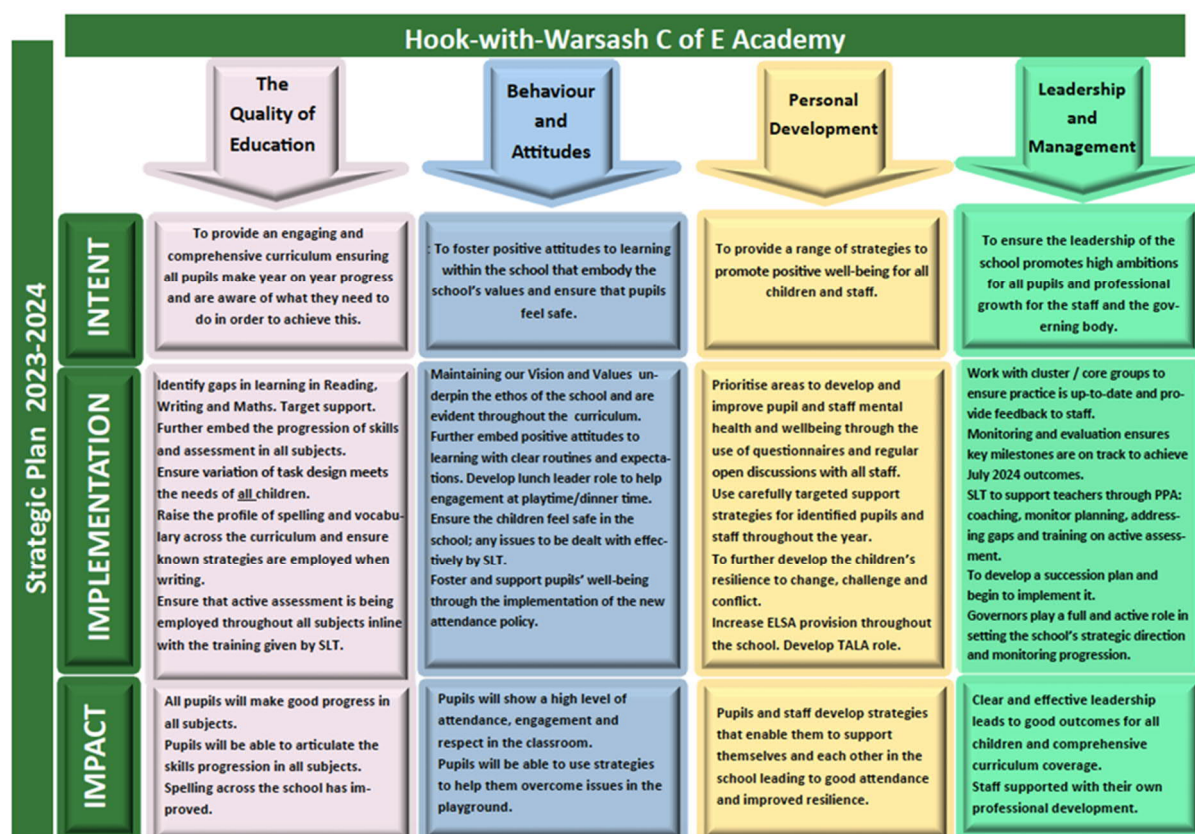
The Pupil Discipline, Curriculum & Early Years Committee will continue to lead on the monitoring of the Curriculum, of Teaching and Learning and of Pupil attainment, progress and well-being.

The Resources Committee will continue to monitor the budget closely, being mindful of the agreed three-year budget projection, and will prepare contingency plans to be implemented in the event of any future financial allocation issues and will lead on the monitoring of staff well-being.

The Resources Committee will monitor Health & Safety matters – continually striving to improve practice - oversee the agreed further development programme to maximise the quality of the site as a learning environment.

The Forging Links Committee will monitor Academy-Church-Community interaction and lead in the preparation for SIAMs Inspections.

Additionally, the Governance & Audit Committee refined its Internal Audit Role to ensure that the current robust procedures are fully reported.



Hook-with-Warsash Church of England Academy

Trustees' Report

Plans for Future Periods (continued)

Additional Strategic Commitments

Resources

- Communication:
 - o Improve Wi-fi in environmental classroom.
- ICT:
 - o Continue to maintain a rolling programme for the replacement of IT hardware and to investigate ways to future proof the school's ICT infrastructure.
- Building Development:
 - o Complete the construction of a flexible teaching spaces during the day with the added benefit of providing a larger wraparound care facility.
 - o Continue to investigate options for reducing the school's carbon footprint.
- Succession Planning:
 - o Review succession plans and ensure they are up to date.

Governance

- Ensure that all Safeguarding measures remain up-to-date and fully implemented.
- Continued Governing Body self evaluation to ensure effective strategic leadership.
- Recruit new Governors based on outcomes of the skills audit and self evaluation.
- Maintain forward financial planning to ensure sustainability.
- Review and develop Governor induction programme.
- Develop Individual Training Plans for Governors.
- Continue to develop the evidence of effective monitoring by Governors.
- Update the Business Continuity Plan and review in light of demands placed on the school.
- Continue exit interviews/questionnaires for Staff and Governors to inform planning.

Pupil Voice

- The Collective Worship Council will continue to play an active role in Collective Worship, including continuing to develop new themes.
- Year 6 Prefects will reward positive behaviour from younger pupils and consider how they can further develop their role in the school.
- Continue to allow the School Council to identify priority projects/initiatives in the school and to fund-raise where necessary.
- Governors to maintain and develop opportunities to meet groups of pupils and implement the Adopt-a-Governor programme to 'hear' the pupil voice.
- Eco-warriors will continue to develop ways to encourage recycling and expand eco-friendly behaviours from pupils, staff and parents/carers.
- Further develop ways for children to express their worries and concerns.

Hook-with-Warsash Church of England Academy

Trustees' Report

Plans for Future Periods (continued)

Wider Community Links

Maintain excellent links with Church.

Develop cluster school initiatives.

- Continue to seek appropriate opportunities for the use of the school site out of hours.
- Further develop links within the local community.
- Develop marketing strategies to promote the school within the community and wider area.
- Collective Worship council to identify projects to enhance the awareness and understanding of diversity.

Funds Held as Custodian Trustee on Behalf of Others

None

Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 4 December 2023 and signed on the Board's behalf by:



Mr Luke Bailey
Chair of Trustees

Hook-with-Warsash Church of England Academy

Governance Statement

Scope of Responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Hook-with-Warsash Church of England Academy 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 seven times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr L. Bailey	7	7
Mrs K. Bartlett	7 (3 by proxy)	7
Mrs J. Birt	5 (2 by proxy)	5
Mr P. Caiger-Watson	6 (1 by proxy)	7
Mrs C. Denyer	4 (2 by proxy)	7
Mr I. Downie	7	7
Mr M. Ellis	7 (2 by proxy)	7
Mrs A. Ford	7 (4 by proxy)	7
Miss C. Forder	7	7
Mrs R. Graham	7 (3 by proxy)	7
Mrs H. Healey	7 (5 by proxy)	7
Mr R. Johnson	1	1
Mr D. Nice	7 (4 by proxy)	7
Mrs J. Nunn	5 (1 by proxy)	7
Mrs G. Osborne	7	7
Miss E. Ransley	6 (2 by proxy)	7
Rev. M. Terry	7 (3 by proxy)	7

Hook-with-Warsash Church of England Academy

Governance Statement

Governance (continued)

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mrs J. Ward	7	7
Mr I. Wilkie	7 (2 by proxy)	7
Mrs. S. Willoughby	7	7
Mrs G. Winterton	5 (3 by proxy)	6

The overall attendance rate at Full Governing Body Meetings was 94.4%.

Attendance had improved upon 2022-23 with many Governors finding the option to join online very useful.

Mrs Julia Birt was appointed as an Appointed Governor on 1st November 2022.

Mr Richard Johnson resigned as a First Governor on 17th October 2022. Mrs Gemma Winterton was appointed as an Appointed Governor on 1st November 2022 and subsequently appointed as a Foundation Governor on 2nd May 2023 to fill the vacancy left by Mr Wilkie who resigned on 2nd May 2023. Mr Wilkie was co-opted by the Governing Body on 15th May 2023.

Conflicts of interest:

The Academy undertakes an annual check of pecuniary interests with all of the staff and Governors – the register of which is held in the office.

All governor meetings have an agenda item in which Governors and staff present are asked to make a declaration of any interests relating to items to be discussed at the meeting.

Staff Governors are asked to leave governor meetings when items relating to staff are discussed.

If a conflict of interest arises within the finance team, a senior leader will undertake the procurement process.

Governance reviews:

During the year the Governing Body completed a further skills audit which helps inform of potential skills to be sought when advertising for new governors, and potential areas for ongoing training for governors.

Hook-with-Warsash Church of England Academy

Governance Statement

Governance (continued)

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

- promote the Objects of the Academy Trust as detailed in paragraphs 4a and 4b of the Articles;
- carry out and monitor the implementation of the duties detailed in paragraphs 5 and 6.1 – 6.9 of the Articles, specifically to:
 - o set and monitor the management of the annual budget and the three-year projected budget plan.
 - o deciding how to spend the Academy's budget in accordance with its Financial Policies;
 - o determine the staffing complement and a salary policy for the Academy;
- have oversight and keep under review the Academy's Whistleblowing Policy;
- receive and consider reports on sustainability and future planning from the Development Working Group;
- consider and report to the governing body on personnel aspects;
- consider and report to the governing body on the management of information.

Attendance during the year at meetings of the Resources Committee was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr I. Wilkie	6 (1 by proxy)	6
Mr L. Bailey	6 (2 by proxy)	6
Mrs J Birt	4	4
Mr P. Caiger-Watson	6	6
Mrs A. Ford	5 (2 by proxy)	6
Mrs R. Graham	0	1
Mr R. Johnson	1 (1 by proxy)	1
Mr D. Nice	5 (4 by proxy)	6
Mrs G. Osborne	6	6
Miss E. Ransley	3	6
Mrs S. Willoughby	6	6

The overall attendance rate at Resources Committee meetings was 84.7%.

Hook-with-Warsash Church of England Academy

Governance Statement

Governance (continued)

The Governance & Audit committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- review the structure and effectiveness of the Governing Body;
- co-ordinate the Governing Body's input into to annual Strategic Plan;
- maintain an oversight of the effectiveness of the Governing Body, monitoring the exercise of the Governing Bodies Statutory Responsibilities and system for Policy Review in order to ensure that all policies are ones that Governors would be comfortable defending in public;
- advise the Board/Governing Body and Accounting Officer on risk management and value for money systems and frameworks, thus maintaining an oversight of internal control;
- meet with the external auditor, to receive feedback on the annual audit;
- review the fraud response plan and ensuring that all allegations of fraud or irregularity are managed and investigated appropriately;
- supporting the work of the Internal Audit Officer by regular updates on the progress of the internal audit visits.

In addition, the Committee maintains an oversight of Governor Self-Evaluation.

Attendance during the year at meetings of the Governance & Audit Committee was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr L. Bailey	6 (1 by proxy)	6
Mrs K. Bartlett	6 (1 by proxy)	6
Mrs J Birt	3 (1 by proxy)	3
Mr P. Caiger-Watson	6 (1 by proxy)	6
Miss C Forder	3 (1 by proxy)	3
Mrs H. Healey	3 (3 by proxy)	3
Mr D. Nice	6 (1 by proxy)	6
Mr I. Wilkie	6 (1 by proxy)	6
Mrs S. Willoughby	6	6

The overall attendance rate at Governance & Audit Committee meetings was 100%.

Hook-with-Warsash Church of England Academy

Governance Statement

Review of Value for Money

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

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

- with the Governing Body continuing to hold the Staffing Structure and the Pay Policies under review to ensure that the needs of the pupils the objectives of the Academy are met in the most cost-effective way;
- ensuring that the provision of services by outside bodies is kept under review by relevant Committees, in accordance with a published calendar, and more cost-effective Service Level Agreements are negotiated;
- ensuring that all expenditure is kept under review and that more effective administration leads to savings;
- seeking to ensure that the parents of all pupils in Key Stage 1 who are entitled to Free School Meals, register for these, thus maximising Pupil Premium income;
- ensuring that principles of best value are applied at all times.

The Academy has recently appointed a new senior site manager part of whose responsibility is to ensure that the trust's estate is safe, well-maintained and complies with regulations. Whilst written recommendations are reviewed by the Governing Body on a termly basis, the Resources Committee completes a physical walk-round the trust's estate in advance of each committee meeting with a member of the site team.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Hook-with-Warsash Church of England Academy for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Hook-with-Warsash Church of England Academy

Governance Statement

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Mr Darren Nice MBA, FCCA, a Trustee and certified accountant, as internal auditor.

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

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

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

The Internal Auditor prepares a full schedule of Audit tests that should be completed for the forth coming academic year in line with the Academies Handbook recommendations.

Hook-with-Warsash Church of England Academy

Governance Statement

The Risk and Control Framework (continued)

Once again due to Covid it has not been possible to complete every test on multiple occasions. There has however been a high level of coverage across all areas and the tests are divided across suitable Governors to complete. There have been no material or significant issues found across the full year and only minor recommendations have been made e.g., signing of expense or overtime approvals and ensuring that an independent signatory counter signs on the very rare occasion that a cost relates to a related party.

The Cyber Security review has been undertaken this year and a further detailed assessment will be undertaken by the schools retained IT Provider at an agreed fee.

All internal audit visits are recorded, and any exceptions reported to the Internal Auditor, this is subsequently reported to the Governance & Audit committee, discussed at Resources and reported to the Full Governing Body. There is a high level of review and scrutiny and the Academy benefits from having a Qualified Accountant who is able to co-ordinate this area of review for the Academy.

A change to the Academy Trust Handbook requires separation between internal and external audit functions on ethical grounds. The relevant section states:

Part 3 paragraph 3.20 states “Trusts should note that the Financial Reporting Council’s revised Ethical Standard states that a firm providing external audit to an entity shall not also provide internal audit services to it. The Standard includes transitional arrangements which permit existing audit engagements at 15 March 2020 to conclude. In order to minimise threats to objectivity and independence in the internal scrutiny of academy trusts, ESFA considers that the term internal scrutiny should be viewed in the same way as internal audit”.

While Mr Nice continues to be internal audit officer the necessary separation is achieved.

A schedule of Audit Testing was completed for 2022-23 with a very small number of tests not completed (due to time /diary constraints) none were considered as providing a material risk as the areas tested had been covered previously within the same academic year without any issues arising. There were no material control issues identified during the year however there were some minor administrative errors that were discovered that have been recorded and satisfactorily actioned on subsequent internal audit visits. It has been noted that the change in Payroll provider from Hampshire CC has been challenging in terms of gaining access to appropriate reports to make general reconciliation a simple process. This means that for the Business Manager and Internal Auditor additional time is needed to do monthly and periodic checks of deductions and payment to pension funds. No material errors have been found in this area, but it is inefficient in its current reporting mechanism.

The Academies handbook is used as guide for updating the Schedule of Internal Audit testing along with any observations or recommendations from the previous External Auditor reports. The Audit tests are divided by the relevant sections covering all key aspects, e.g., Cyber Security, Bank reconciliation, PAYE, Pension Controls, Expenses etc.

Hook-with-Warsash Church of England Academy

Governance Statement

The Risk and Control Framework (continued)

Controls are strong within the Academy and are well governed by the experience and expertise held currently in the Governors structure. This is further reviewed by the Governance & Audit committee and regular challenge is made on the right areas to allocate budget and to manage the general reserve levels in the school.

A review was undertaken on the treatment of the Pension Liability accounted for in respect of the LGPS scheme and no change in approach was deemed necessary or possible considering the review. The Governance and Audit committee will be re-competing the role of the Auditors soon to follow best practice, this is no reflection on the current service provider who will be invited to tender long with other suitably qualified firms.

Review of Effectiveness

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

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

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

Approved by order of the members of the Board of Trustees on 4 December 2023 and signed on its behalf by:



Mr Luke Bailey
Chair of Trustees



Mrs Sara Willoughby
Accounting Officer

Hook-with-Warsash Church of England Academy

Statement of Regularity, Propriety and Compliance

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

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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

Sara Willoughby

Mrs Sara Willoughby
Accounting Officer
4 December 2023

Hook-with-Warsash Church of England Academy

Statement of Trustees' Responsibilities

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 4 December 2023 and signed on its behalf by:



Mr Luke Bailey
Chair of Trustees

Hook-with-Warsash Church of England Academy

Independent Auditor's Report on the Financial Statements to the Members of Hook-with-Warsash Church of England Academy

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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.

Hook-with-Warsash Church of England Academy

Independent Auditor's Report on the Financial Statements to the Members of Hook-with-Warsash Church of England Academy

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Hook-with-Warsash Church of England Academy

Independent Auditor's Report on the Financial Statements to the Members of Hook-with-Warsash Church of England Academy

Responsibilities of the Trustees

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

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust, and the sector in which it operates. These include but are not limited to compliance with the Companies Act 2006, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019, the Academy Trust Handbook 2022, and the Academies Accounts Direction 2022 to 2023.
- We obtained an understanding of how the Academy Trust is complying with these frameworks through discussions with management.

Hook-with-Warsash Church of England Academy

Independent Auditor's Report on the Financial Statements to the Members of Hook-with-Warsash Church of England Academy

- We enquired with management whether there were any instances of non-compliance with laws and regulations or whether they had knowledge of actual or suspected fraud. These enquiries are corroborated through follow-up audit procedures including but not limited to a review of legal and professional costs, correspondence and a review of board minutes.
- We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including the risk of fraud and management override of controls. We designed our audit procedures to respond to this assessment, including the identification and testing of any related party transactions and the testing of journal transactions that arise from management estimates, that are determined to be of significant value or unusual in their nature.
- We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the sector in which the Academy Trust operates in, and their practical experience through training and participation with audit engagements of a similar nature.

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

Use of our report

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



G Brown FCCA (Senior statutory auditor)
For and on behalf of Hopper Williams & Bell Limited
Statutory Auditor
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 08 Dec 2023

Hook-with-Warsash Church of England Academy

Independent Reporting Accountant's Assurance Report on Regularity to Hook-with-Warsash Church of England Academy and the Education & Skills Funding Agency

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

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

Respective responsibilities of Hook-with-Warsash Church of England Academy's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Hook-with-Warsash Church of England Academy's funding agreement with the Secretary of State for Education dated 1 September 2012 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Hook-with-Warsash Church of England Academy

Independent Reporting Accountant's Assurance Report on Regularity to Hook-with-Warsash Church of England Academy and the Education & Skills Funding Agency

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

Hook-with-Warsash Church of England Academy

Independent Reporting Accountant's Assurance Report on Regularity to Hook-with-Warsash Church of England Academy and the Education & Skills Funding Agency

Conclusion

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



G Brown FCCA
Reporting Accountant
Hopper Williams & Bell Limited
Chartered Accountants
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 08 Dec 2023

Hook-with-Warsash Church of England Academy

Statement of Financial Activities for the year ended 31 August 2023

(including Income and Expenditure Account)

	Note	Un-restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2022/23 Total £	2021/22 Total £
Income and endowments from:							
Donations and capital grants	2	-	27,528	-	38,712	66,240	60,548
Other trading activities	4	25,071	-	-	-	25,071	23,471
Investments	5	2,470	-	-	-	2,470	443
Charitable activities:							
Funding for the academy trust's educational operations	3	-	2,133,514	-	-	2,133,514	2,059,471
Total		27,541	2,161,042	-	38,712	2,227,295	2,143,933
Expenditure on:							
Charitable activities:							
Academy trust educational operations	7	-	2,129,435	48,000	108,149	2,285,584	2,269,172
Net income / (expenditure)		27,541	31,607	(48,000)	(69,437)	(58,289)	(125,239)
Transfers between funds	16	-	(26,416)	-	26,416	-	-
Other recognised gains / (losses):							
Actuarial gains on defined benefit pension schemes	26	-	-	193,000	-	193,000	1,072,000
Net movement in funds		27,541	5,191	145,000	(43,021)	134,711	946,761
Reconciliation of funds							
Total funds brought forward		180,871	260,151	(195,000)	3,697,157	3,943,179	2,996,418
Total funds carried forward		208,412	265,342	(50,000)	3,654,136	4,077,890	3,943,179

The notes on pages 42 to 65 form part of these financial statements.

Hook-with-Warsash Church of England Academy

Balance Sheet as at 31 August 2023

Company Number 08153776

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	11		3,654,136		3,697,157
Current assets					
Debtors	12	98,770		83,400	
Investments	13	203,985		153,908	
Cash at bank and in hand		402,724		433,208	
		<u>705,479</u>		<u>670,516</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(226,115)</u>		<u>(221,640)</u>	
Net current assets			<u>479,364</u>		<u>448,876</u>
Total assets less current liabilities			4,133,500		4,146,033
Creditors:					
Amounts falling due after more than one year	15		<u>(5,610)</u>		<u>(7,854)</u>
Net assets excluding pension liability			4,127,890		4,138,179
Defined benefit pension scheme liability	26		(50,000)		(195,000)
Total net assets			<u>4,077,890</u>		<u>3,943,179</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16	3,654,136		3,697,157	
Restricted income fund	16	265,342		260,151	
Pension reserve	16	<u>(50,000)</u>		<u>(195,000)</u>	
Total restricted funds			3,869,478		3,762,308
Unrestricted income funds	16		208,412		180,871
Total funds			<u>4,077,890</u>		<u>3,943,179</u>

The financial statements on pages 39 to 65 were approved by the Trustees and authorised for issue on 4 December 2023 and are signed on their behalf by:



Mr Luke Bailey
Chair of Trustees

The notes on pages 42 to 65 form part of these financial statements.

Hook-with-Warsash Church of England Academy

Statement of Cash Flows for the year ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	20	45,783	91,056
Cash flows from financing activities	21	(2,244)	(2,244)
Cash flows from investing activities	22	(74,023)	(50,108)
Change in cash and cash equivalents in the reporting period		<u>(30,484)</u>	<u>38,704</u>
Cash and cash equivalents at 1 September 2022		433,208	394,504
Cash and cash equivalents at 31 August 2023	23	<u>402,724</u>	<u>433,208</u>

Hook-with-Warsash Church of England Academy

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

1 Accounting policies

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

Basis of Preparation

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

Going Concern

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

Income

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

- Donations

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

- Grants

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

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

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

Hook-with-Warsash Church of England Academy

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

Income (continued)

- Other Income

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

- Donated goods, facilities and services

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

- Donated fixed assets (excluding Transfers on conversion/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 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.

Expenditure

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

- Charitable Activities

These are costs incurred on the Academy 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.

Hook-with-Warsash Church of England Academy

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

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.

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

Leasehold Land and Buildings	Shorter of 50 years straight line or the length of the lease
Furniture and Equipment	5 years straight line
Computer Equipment	3 years straight line

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

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

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

Liabilities

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

Hook-with-Warsash Church of England Academy

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

Provisions

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

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

Leased Assets

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

Current asset investments

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

Financial Instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank

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

Financial liabilities

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

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.

Hook-with-Warsash Church of England Academy

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

Pensions Benefits

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

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

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

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

Fund Accounting

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

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

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

Hook-with-Warsash Church of England Academy

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The assumptions used are disclosed in note 26.

Critical areas of judgement

There are no other critical areas of judgement.

2 Donations and capital grants

	Unrestricted funds	Restricted funds	2022/23 Total	2021/22 Total
	£	£	£	£
Capital grants	-	26,712	26,712	8,568
Donated fixed assets	-	12,000	12,000	1,376
Other donations	-	27,528	27,528	50,604
	-	66,240	66,240	60,548
Total 2022	-	60,548	60,548	

Hook-with-Warsash Church of England Academy

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

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	1,731,590	1,731,590	1,693,500
Pupil Premium	-	66,377	66,377	56,080
UIFSM	-	63,420	63,420	61,895
PE and sports grant	-	19,590	19,590	19,540
Other DfE grants	-	85,645	85,645	30,496
	-	1,966,622	1,966,622	1,861,511
Other government grants				
Local authority grants	-	17,409	17,409	75,787
COVID-19 additional funding (non-DfE/ESFA)				
Other Coronavirus funding	-	-	-	4,000
Other income from the Academy Trust's educational operations				
Trip income	-	70,693	70,693	49,937
Tuition fee income	-	10,405	10,405	11,333
Catering income	-	48,640	48,640	54,953
Other income	-	19,745	19,745	1,950
	-	149,483	149,483	118,173
	-	2,133,514	2,133,514	2,059,471
Total 2022	-	2,059,471	2,059,471	

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
Hire of facilities	13,356	-	13,356	16,691
Sale of goods and services	11,715	-	11,715	6,780
	25,071	-	25,071	23,471
Total 2022	23,471	-	23,471	

Hook-with-Warsash Church of England Academy

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

5 Investment income

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
Short term deposits	2,470	-	2,470	443
Total 2022	443	-	443	

6 Expenditure

	Staff costs £	Non Pay Expenditure		Total 2022/23 £	Total 2021/22 £
		Premises £	Other £		
Academy's educational operations:					
Direct costs	1,395,767	-	227,922	1,623,689	1,439,292
Allocated support costs	261,821	99,996	300,078	661,895	829,880
	1,657,588	99,996	528,000	2,285,584	2,269,172
Total 2022	1,616,284	194,444	458,444	2,269,172	

Net income/(expenditure) for the period includes:

	2022/23 £	2021/22 £
Operating lease rentals	3,793	2,613
Depreciation	108,149	89,564
Fees payable to auditor for:		
Audit	6,570	5,330
Other services	3,355	2,835

Hook-with-Warsash Church of England Academy

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

7 Charitable activities

	2022/23	2021/22
	Total	Total
	£	£
Direct costs – educational operations	1,623,689	1,439,292
Support costs – educational operations	661,895	829,880
	<u>2,285,584</u>	<u>2,269,172</u>

Analysis of support costs:

	Educational operations	2022/23	2021/22
		Total	Total
	£	£	£
Support staff costs	261,821	261,821	353,086
Depreciation	108,149	108,149	89,564
Technology costs	8,950	8,950	9,259
Premises costs	99,996	99,996	194,444
Other support costs	173,114	173,114	175,022
Governance costs	9,865	9,865	8,505
Total support costs	<u>661,895</u>	<u>661,895</u>	<u>829,880</u>
Total 2022	<u>829,880</u>	<u>829,880</u>	

Premises costs includes £nil (2022: £8,000) in respect of expenditure on capital projects, which were funded by capital grants from the ESFA.

Hook-with-Warsash Church of England Academy

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

8 Staff

a) Staff costs

Staff costs during the period were:

	2022/23	2021/22
	£	£
Wages and salaries	1,235,946	1,132,430
Social security costs	104,489	101,118
Pension costs	307,301	380,100
	<u>1,647,736</u>	<u>1,613,648</u>
Agency staff costs	9,852	2,636
	<u>1,657,588</u>	<u>1,616,284</u>

b) Staff numbers

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

	2022/23	2021/22
	No.	No.
Teachers	20	17
Administration and support	40	43
Management	2	3
	<u>62</u>	<u>63</u>

c) Higher paid staff

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

	2022/23	2021/22
	No.	No.
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

d) Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £240,588 (2022: £287,048).

Hook-with-Warsash Church of England Academy

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

9 Related Party Transactions – Trustees' remuneration and expenses

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

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

		2022/23	2021/22
		£000	£000
Julie Nunn	Remuneration	15-20	10-15
(Staff trustee)	Employer's pension contributions paid	0-5	0-5
Nicole Whybrow to 28 Feb 2022	Remuneration	-	5-10
(Staff trustee)	Employer's pension contributions paid	-	0-5
Sara Willoughby	Remuneration	80-85	75-80
(Staff trustee)	Employer's pension contributions paid	15-20	15-20
Emily Ransley from 1 March 2022	Remuneration	30-35	10-15
(Staff trustee)	Employer's pension contributions paid	5-10	0-5

During the period ended 31 August 2023, no Trustees received any reimbursement of expenses (2022: none).

10 Trustees' and officers' insurance

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

Hook-with-Warsash Church of England Academy

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

11 Tangible fixed assets

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Total £
Cost				
At 1 September 2022	4,276,000	112,706	136,481	4,525,187
Acquisitions	-	45,388	19,740	65,128
At 31 August 2023	4,276,000	158,094	156,221	4,590,315
Depreciation				
At 1 September 2022	666,400	45,936	115,694	828,030
Charged in year	66,640	25,019	16,490	108,149
At 31 August 2023	733,040	70,955	132,184	936,179
Net book values				
At 31 August 2022	3,609,600	66,770	20,787	3,697,157
At 31 August 2023	3,542,960	87,139	24,037	3,654,136

12 Debtors

	2022/23 £	2021/22 £
Trade debtors	5,219	5,125
VAT recoverable	11,624	14,170
Prepayments and accrued income	81,927	64,105
	98,770	83,400

13 Current asset investments

	2022/23 £	2021/22 £
Bank deposits	203,985	153,908

Hook-with-Warsash Church of England Academy

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

14 Creditors: amounts falling due within one year

	2022/23	2021/22
	£	£
Trade creditors	64,917	55,797
Other taxation and social security	25,409	22,804
Loans falling due within one year	2,244	2,244
Other creditors falling due within one year	29,921	27,677
Accruals and deferred income	103,624	113,118
	<u>226,115</u>	<u>221,640</u>

	2022/23	2021/22
	£	£
Deferred income at 1 September 2022	59,543	65,252
Released from previous years	(59,543)	(65,252)
Resources deferred in the year	84,384	59,543
Deferred income at 31 August 2023	<u>84,384</u>	<u>59,543</u>

At the balance sheet date the Academy Trust was holding funds received in advance for lettings booked for the forthcoming financial year.

Loans falling due within one year comprises an interest free energy efficiency loan from Salix Finance, which is repayable in instalments over eight years between October 2018 and September 2026.

15 Creditors: amounts falling due in greater than one year

	2022/23	2021/22
	£	£
Loans falling due in greater than one year	<u>5,610</u>	<u>7,854</u>

Loans falling due in greater than one year comprises an interest free energy efficiency loan from Salix Finance, which is repayable in instalments over eight years between October 2018 and September 2026.

Hook-with-Warsash Church of England Academy

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

16 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2023 £
Restricted general funds						
General Annual Grant (GAG)	-	1,731,590	(1,731,590)	-	-	-
Pupil premium	-	66,377	(66,377)	-	-	-
UIFSM	-	63,420	(63,420)	-	-	-
PE and sports grant	-	19,590	(19,590)	-	-	-
Other DfE grants	-	85,645	(85,645)	-	-	-
Local authority grants	-	17,409	(17,409)	-	-	-
Other educational activities	260,151	177,011	(145,404)	(26,416)	-	265,342
	260,151	2,161,042	(2,129,435)	(26,416)	-	265,342
Pension reserve	(195,000)	-	(48,000)	-	193,000	(50,000)
	65,151	2,161,042	(2,177,435)	(26,416)	193,000	215,342
Restricted fixed asset funds						
Fixed asset fund	3,697,157	-	(108,149)	65,128	-	3,654,136
ESFA capital grants (DFC)	-	26,712	-	(26,712)	-	-
Donated fixed assets	-	12,000	-	(12,000)	-	-
	3,697,157	38,712	(108,149)	26,416	-	3,654,136
Total restricted funds	3,762,308	2,199,754	(2,285,584)	-	193,000	3,869,478
Total unrestricted funds	180,871	27,541	-	-	-	208,412
Total funds	3,943,179	2,227,295	(2,285,584)	-	193,000	4,077,890

Hook-with-Warsash Church of England Academy

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

16 Funds (continued)

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

General annual grant

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

Other DfE/ESFA grants

This is funding received from the ESFA for specific purposes.

Local authority grants

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

Other educational activities

This includes all other educational income/expenditure.

Pension reserve

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

Fixed asset fund

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

DfE/ESFA capital grants

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

Transfers between funds

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

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

Hook-with-Warsash Church of England Academy

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

16 Funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2022 £
Restricted general funds						
General Annual Grant (GAG)	-	1,693,500	(1,693,500)	-	-	-
Pupil premium	-	56,080	(56,080)	-	-	-
UIFSM	-	61,895	(61,895)	-	-	-
PE and sports grant	-	19,540	(19,540)	-	-	-
Other DfE grants	-	30,496	(30,496)	-	-	-
Local authority grants	-	75,787	(75,787)	-	-	-
Other Coronavirus funding	-	4,000	(4,000)	-	-	-
Other educational activities	221,315	142,195	(81,310)	(22,049)	-	260,151
	221,315	2,083,493	(2,022,608)	(22,049)	-	260,151
Pension reserve	(1,118,000)	-	(149,000)	-	1,072,000	(195,000)
	(896,685)	2,083,493	(2,171,608)	(22,049)	1,072,000	65,151
Restricted fixed asset funds						
Fixed asset fund	3,726,534	-	(89,564)	60,187	-	3,697,157
ESFA capital grants (DFC)	9,612	8,568	(8,000)	(10,180)	-	-
Other capital grants	-	26,582	-	(26,582)	-	-
Donated fixed assets	-	1,376	-	(1,376)	-	-
	3,736,146	36,526	(97,564)	22,049	-	3,697,157
Total restricted funds	2,839,461	2,120,019	(2,269,172)	-	1,072,000	3,762,308
Total unrestricted funds	156,957	23,914	-	-	-	180,871
Total funds	2,996,418	2,143,933	(2,269,172)	-	1,072,000	3,943,179

Hook-with-Warsash Church of England Academy

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

17 Analysis of net assets between funds

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	3,654,136	3,654,136
Current assets	208,412	497,067	-	-	705,479
Current liabilities	-	(226,115)	-	-	(226,115)
Non-current liabilities	-	(5,610)	-	-	(5,610)
Pension scheme liability	-	-	(50,000)	-	(50,000)
Total net assets	208,412	265,342	(50,000)	3,654,136	4,077,890

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

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	3,697,157	3,697,157
Current assets	180,871	489,645	-	-	670,516
Current liabilities	-	(221,640)	-	-	(221,640)
Non-current liabilities	-	(7,854)	-	-	(7,854)
Pension scheme liability	-	-	(195,000)	-	(195,000)
Total net assets	180,871	260,151	(195,000)	3,697,157	3,943,179

18 Capital commitments

	2022/23	2021/22
	£	£
Contracted for, but not provided in the financial statements	14,491	-

19 Long-term commitments, including operating leases

Operating leases

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

	2022/23	2021/22
	£	£
Amounts due within one year	3,580	3,580
Amounts due between one and five years	3,425	-
	7,005	3,580

Hook-with-Warsash Church of England Academy

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

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

	2022/23	2021/22
	£	£
Net expenditure for the reporting period	(58,289)	(125,239)
Adjusted for:		
Depreciation	108,149	89,564
Capital grants from DfE and other capital income	(38,712)	(9,944)
Interest receivable	(2,470)	(443)
Defined benefit pension scheme cost less contributions payable	39,000	131,000
Defined benefit pension scheme finance cost	9,000	18,000
Increase in debtors	(15,370)	(9,669)
Increase / (decrease) in creditors	4,475	(2,213)
Net cash provided by Operating Activities	<u>45,783</u>	<u>91,056</u>

21 Cash flows from financing activities

	2022/23	2021/22
	£	£
Repayments of borrowing	(2,244)	(2,244)
Net cash used in financing activities	<u>(2,244)</u>	<u>(2,244)</u>

22 Cash flows from investing activities

	2022/23	2021/22
	£	£
Dividends, interest and rents from investments	2,470	443
Increase in current asset investments	(50,077)	(308)
Purchase of tangible fixed assets	(53,128)	(58,811)
Capital grants from DfE Group	26,712	8,568
Net cash used in investing activities	<u>(74,023)</u>	<u>(50,108)</u>

23 Analysis of cash and cash equivalents

	2022/23	2021/22
	£	£
Cash at bank and in hand	249,619	282,465
Notice deposits (less than 3 months)	153,105	150,743
Total cash and cash equivalents	<u>402,724</u>	<u>433,208</u>

Hook-with-Warsash Church of England Academy

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

24 Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	Acquisition/ disposal of subsidiaries £	New finance leases £	Other non-cash changes £	At 31 August 2023 £
Cash	282,465	(32,846)	-	-	-	249,619
Cash equivalents	150,743	2,362	-	-	-	153,105
	433,208	(30,484)	-	-	-	402,724
Loans falling due within one year	(2,244)	-	-	-	-	(2,244)
Loans falling due after more than one year	(7,854)	2,244	-	-	-	(5,610)
Total	423,110	(28,240)	-	-	-	394,870

25 Member liability

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

Hook-with-Warsash Church of England Academy

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

26 Pension and similar obligations

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

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

Contributions amounting to £29,816 were payable to the schemes at 31 August 2023 (2022: £27,625) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every four years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

Hook-with-Warsash Church of England Academy

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

26 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £186,864 (2022: £173,113).

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

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

Local Government Pension Scheme

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

	2023	2022
	£	£
Employer's contributions	77,000	68,000
Employees' contributions	24,000	21,000
	<u>101,000</u>	<u>89,000</u>

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

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

Principal actuarial assumptions

	2023	2022
Rate of increase in salaries	4.0%	3.8%
Rate of increase for pensions in payment/inflation	3.0%	2.8%
Discount rate for scheme liabilities	5.2%	4.1%
Inflation assumption (CPI)	3.0%	2.8%
Commutation of pensions to lump sums	<u>70.0%</u>	<u>70.0%</u>

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

	2023	2022
Retiring today		
Males	22.1	22.9
Females	<u>24.7</u>	<u>25.4</u>
Retiring in 20 years		
Males	22.6	24.7
Females	<u>25.7</u>	<u>27.1</u>

Hook-with-Warsash Church of England Academy

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

26 Pension and similar obligations (continued)

Sensitivity analysis

	Increase/(reduction) in defined benefit obligation	
	2023	2022
	£	£
Discount rate +0.1%	(34,000)	(42,000)
Discount rate -0.1%	34,000	42,000
Mortality assumption – 1 year increase	75,000	52,000
Mortality assumption – 1 year decrease	(75,000)	(52,000)
CPI rate +0.1%	32,000	37,000
CPI rate -0.1%	(32,000)	(37,000)

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

	2023	2022
	£	£
Equities	1,071,000	1,003,000
Gilts	581,000	263,000
Property	109,000	135,000
Cash and other liquid assets	54,000	16,000
Other	-	316,000
Total market value of assets	1,815,000	1,733,000

The actual return on scheme assets was a gain of £25,000 (2022: a loss of £115,000).

Amount recognised in the Statement of Financial Activities

	2022/23	2021/22
	£	£
Current service cost	116,000	199,000
Interest income	(72,000)	(31,000)
Interest cost	81,000	49,000
Total amount recognised in the SOFA	125,000	217,000

Hook-with-Warsash Church of England Academy

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

26 Pension and similar obligations (continued)

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

	2022/23	2021/22
	£	£
At 1 September	1,928,000	2,912,000
Current service cost	116,000	199,000
Interest cost	81,000	49,000
Employee contributions	24,000	21,000
Actuarial gain	(240,000)	(1,218,000)
Benefits paid	(44,000)	(35,000)
At 31 August	<u>1,865,000</u>	<u>1,928,000</u>

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

	2022/23	2021/22
	£	£
At 1 September	1,733,000	1,794,000
Interest income	72,000	31,000
Actuarial loss	(47,000)	(146,000)
Employer contributions	77,000	68,000
Employee contributions	24,000	21,000
Benefits paid	(44,000)	(35,000)
At 31 August	<u>1,815,000</u>	<u>1,733,000</u>

Hook-with-Warsash Church of England Academy

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

27 Related party transactions

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

Expenditure Related Party Transactions:

A close family member of D Nice (Trustee and Member)

- The academy trust paid remuneration totalling £nil (2022: £45,814) and employer's pension contributions totalling £nil (2022: £10,612) during the period.

A close family member of S Willoughby (Trustee)

- The academy trust paid remuneration totalling £61 (2022: £1,639) and employer's pension contributions totalling £nil (2022: £nil) during the period.

Hampshire Waste Disposal Limited – a company in which a close family member of A Wilmott (a member of the SMT) is a Director:

- The Academy Trust purchased services from Hampshire Waste Disposal Limited totalling £3,403 (2022: £nil) during the period. There were no amounts outstanding at 31 August 2023 (2022: £nil).
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which A Wilmott neither participated in, nor influenced.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academy Trust Handbook 2022.

IC Active Training Limited – a company in which a close family member of A Wilmott (a member of the SMT) is a Director:

- The Academy Trust purchased services from IC Active Training Limited totalling £5,900 (2022: £nil) during the period. There were no amounts outstanding at 31 August 2023 (2022: £nil).
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which A Wilmott neither participated in, nor influenced.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academy Trust Handbook 2022.