

Hook-with-Warsash Church of England Academy
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2019

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 Roger Clear (Foundation)
	Mr Darren Nice
	Mrs Alex Hughes (Chair of Governors)
Non-Governor Members	Mr Richard Appleby
	Mrs Eleanor Dannan
	Mrs Gill Gailor (Appointed Governor Member to 19/12/18; re- appointed as a non-Governor Member 20/12/18)
	Mr Simon Lowes
	Mr Peter Upward (Foundation)

Trustees:

First Governor (Foundation)	Mr Roger Clear*# (Vice Chair)
First Governor	Mrs Gill Gailor # (term ended 19/12/18)
First Governors (Appointed)	Mr Richard Johnson*
	Mr Darren Nice*#
Appointed Governors (Foundation)	Mr Nick St John
	Rev Mike Terry (Incumbent)
	Mr Iain Wilkie*#
Elected Governors (Parent)	Mr Andy Beadsworth
	Mr Paul Caiger-Watson*
Appointed Governors (Parent)	Miss Chrissy Forder
Elected Governors (Staff)	Miss Nicole Whybrow* (Teacher)
	Miss Julie Nunn (Support Staff)
Appointed Governors	Mr Luke Bailey*
	Mrs Kate Bartlett
	Mrs Sandra Evans#
	Mrs Alex Hughes# (Chair of Governors)
	Mrs Emma McQuiston (appointed 30/04/19)
	Mrs Fran Munro
	Mr David Scott-Batey
Headteacher	Mrs Sara Willoughby*#

* Members of The Finance & Personnel Committee during the year

Members of the Governance & Audit Committee

NB Throughout this report the terms “Governor” and Trustees and the terms “Full Governing Body” “Board of Trustees” and “Board of Directors” are interchangeable, depending on context.

Company Secretary

Mr Roger Wingrove

Hook-with-Warsash Church of England Academy

Reference and Administrative Details

Senior Management Team:

Mrs Sara Willoughby, Headteacher/Accounting Officer

Mrs Catherine Nice, Assistant Headteacher

Mr David Trotman, Assistant 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

Hants

PO16 0BE

Solicitors

Paris Smith LLP

1 London Road

Southampton

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 2019. 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 should be noted that Fareham Borough Council's (FBC) agreed Housing Development Plan includes the building of a substantial amount of additional housing both within and in the immediate vicinity of the Academy's catchment area. HCC began a consultation process in March 2018 (as a consequence of uncertainty over the impact of the planned development on pupil numbers, this is still ongoing at 31 August 2019) regarding the establishment of an additional form of entry in one of the local primary schools. One of the options is for that additional form of entry to be placed at the Academy. Whilst being supportive of this, the Trustees are mindful of the potential impact on pupil numbers, whether the additional form of entry is placed at the Academy or elsewhere.

It has a pupil capacity of 420 and had a roll of 414 in the school census in January 2019.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of 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.

Hook-with-Warsash Church of England Academy

Trustees' Report

Trustees' Indemnities

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

During 2018/19 indemnity was provided by Bluefin Insurance with a £2,000,000 limit of indemnity covering legal liability for claims arising from a breach of professional duty by reason of any neglect, error or omission, including:

- loss of Documents;
- libel and Slander;
- legal liability of individual past, present or future Governors and of managerial/supervisory employees or their spouses, heirs or legal representatives, including:
 - reimbursement to the Academy;
 - pollution defence costs;
 - criminal prosecution, if not due to fraud or dishonesty.

The Excess applicable to Professional Indemnity and Governors & Officers Liability was £1,000 each loss (nil in respect of any loss paid in respect of any individual Governor under the Governors & Officers Liability cover).

The Bluefin Insurance also provided comprehensive cover for Governors using their own vehicles on Academy business.

As indicated in the 2018 Trustees' report, during 2018/19 the Finance & Personnel Committee again considered the Risk Protection Arrangement (RPA) to provide insurance cover. At its meeting on 20 June 2019 the Committee agreed, with its recommendation being endorsed by the Trustees at the Full Governing Body Meeting held on 8 July 2019, that it would be advantageous to join the scheme from 1 September 2019. As a consequence, from that date Professional Indemnity will be provided within the Risk Protection Arrangement as follows:

- The RPA Administrator will subject to the Definitions, Extensions, Exclusions and Conditions of the Rules indemnify:
 - 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;
 - 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;
- 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.

During 2018/19, the Finance & Personnel Committee reviewed the decision to 'self-insure' for staff absence at each meeting. The matter having been considered, this remained the status quo at 31 August 2019.

Hook-with-Warsash Church of England Academy

Trustees' Report

Method of Recruitment and Appointment or Election of Trustees

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

- Three 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;
- Four First or Appointed Foundation Governors (1 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);
- 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 train, 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. Use is also made of Governors for Schools and Inspiring Governance, with variable results.

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.

Despite the best efforts of the Academy, Governor recruitment remains a challenge, not least because of the increasing pressures on Governing Bodies, at a time when there are also increasing pressures on individuals and families.

Hook-with-Warsash Church of England Academy

Trustees' Report

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 2019/20;
- Governing Body Officers 2019/20;
- Governing Body Terms of Reference 2019/20;
- Governing Body Policies;
- Financial Roles and Responsibilities;
- Guidance on Visits to the Academy by Governors;
- Meeting Dates 2019/20;
- Governing Body Cycle of Business 2019/20;
- Governors' Statutory Responsibilities;
- Glossary of Terms;

together 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.

Despite representations to the contrary, HCC GovernorHub requires that individual Governors book their own training, rather than giving the option that bookings can be co-ordinated and booked by 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 Sandra Evans, the Development and Training Governor, is pro-active in guiding new (and established) Governors to appropriate training and Individual Training Plans for Governors are being developed.

Mr Roger Clear (Vice Chair) is responsible for the induction and mentoring of new Governors.

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Trustees' Report

Organisational Structure

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

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

- Pupil Discipline, Curriculum & Early Years;
- Finance & Personnel;
- Sites and Buildings.

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.

In view of the uncertainties that result from FBC's development plans and HCC's response to them (page 3), 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 met throughout 2018/19 and was largely responsible for the establishment of the Academy's Facebook presence.

Additionally, The Finance & Personnel Committee established a 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). At the meeting of the Finance & Personnel Committee held on 20 June 2019, it was agreed that the Working Group would continue to meet during 2019/20. This decision was endorsed by the Trustees meeting as a Full Governing Body on 8 July 2019.

Governing Body Panels relating to Staff Discipline, Discipline Appeals, and 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.

Hook-with-Warsash Church of England Academy

Trustees' Report

Organisational Structure (continued)

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:
 - individual items of non-staffing expenditure (in line with the Strategic Plan) not exceeding £1,000;
 - 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;
 - alterations to the budget to reflect resources made available to the Local Authority (LA) for Statements of Special Educational Needs and cases of extended sickness;
- as Accounting Officer, has personal responsibility for:
 - the propriety and regularity of public finances for which she is answerable.
 - keeping proper accounts and ensuring that financial statements are properly presented and adequately supported;
 - prudent and economical administration;
 - avoidance of waste and extravagance;
 - ensuring value for money;
 - efficient and effective use of resources in their charge;
 - 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.

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

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Trustees' Report

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 & 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 (Augmented) 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 Headteachers' Appraisal is carried out by the Headteacher. In accordance with the Appraisal of Teachers' Performance Policy, the Assistant 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 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 Headteachers' Salary range for that year.

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

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.

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Trustees' Report

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.

Risk Management

The Business Continuity Plan and the Risk Register, reported on at each meeting of the Finance & Personnel Committee, identifies the following significant risks:

- pandemic or epidemic;
- severe weather events;
- power outage;
- utilities disruption;
- telephony failure;
- fire affecting the Academy Premises;
- widespread or localised flooding;
- mass staff absence;
- transport disruption;
- violent extremist activity on Academy Premises.

The Business Continuity Plan gives details of plans to minimise and manage these risks. Both the Risk Register and the Business Continuity Plan are kept under review, with the Business Continuity Plan being updated in September 2018 to incorporate lock-down procedures, which were tested during the year.

In addition, the Governors understand the further risks inherent in not maintaining a full pupil roll at the Academy and not maintaining financial viability. Consequently:

- the Finance & Personnel Committee uses three-year budgetary planning data to develop ongoing plans to ensure effective use of public funds and future financial viability;
- as noted above, the Finance & Personnel Committee established a Development Working Group during 2018/19 to consider the medium and longer-term financial landscape and this Group will continue to meet during 2019/20.
- the Forging Links Committee ensures strong links with the Church and Local Community, thus meeting the Academy's secondary objective as detailed in the Articles of Association;
- the Full Governing Body held a Whole Governing Body Training Session on "Communicating with the Community";
- as noted above, a standing Marketing, Promotion & Media Working-Group was established in June 2018 with the primary aim of ensuring that the Academy roll is full and this group has been largely responsible for establishing a Facebook presence as an aid to communication (a Governors' parental questionnaire conducted in February 2019 found that 95% of respondents (169/178) were satisfied with the Academy's communications);
- funds are only utilised for major development after proposals have been closely scrutinised by either the Pupil Discipline, Curriculum and Early Years Committee or the Sites and Buildings Committee and the Finance & Personnel Committee and agreed by the Full Governing Body.

Hook-with-Warsash Church of England Academy

Trustees' Report

Related Parties and other Connected Charities and Organisations

The Academy is connected to the Diocese 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.

Mr Richard Johnson is an Academies' representative for South-East Hampshire on the Hampshire Schools' Forum and is a member of both the South-East Hampshire Governors' Forum and the Hampshire 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 2018 – July 2019

Drawing on Governors' knowledge of the Academy, its achievements and its challenges, gained through the meetings structure and the Implementation of the Governors' Monitoring Programme for 2017/18, the Governance and Audit Committee met with the SLT on 7 June 2018 to agree the Strategic Priorities for 2018/19.

The Strategic Plan set following this meeting, and agreed by the Full Governing Body at its meeting on 16 October 2018, set the following improvement outcomes:

With regard to pupil achievement

To raise standards in the teaching and learning of reading, writing and maths throughout the Academy by ensuring all pupils make year-on-year progress that is graded at reaching Age Related Expectations (ARE) and are aware of what they need to do in order to progress. In particular:

- ensuring that the expected floor standards for each year group is met as agreed at Performance Management and increasing the percentage of pupils making expected and better than expected progress in reading, writing and maths;
- ensuring that medium term plans are in place to provide opportunities for mastery in all year groups;
- ensuring that regular assessments across the curriculum are used effectively to target areas for development and inform planning;
- ensuring that Pupil Premium Pupils make at least expected progress or better than expected progress.

With regard to the quality of teaching and provision

To raise standards in the teaching and learning of reading, writing and maths throughout the Academy by:

- effective use of mastery tasks in both English and maths;
- ensuring high expectations of grammar, handwriting and punctuation in all written work;
- continuing to use pre-teaching to target pupils that need further support, as identified from regular teacher assessment;
- developing teachers' understanding of visual models and how these can be used as a tool to enhance learning. (e.g. bar-modelling in maths; 'S' planning for writing);
- ensuring that learning walls provide both visual models and toolkits that can be easily accessed by pupils;
- providing more specific measurable outcomes for Pupil Premium pupils in reading, writing and maths through programmes identified by the SENDCO.

Hook-with-Warsash Church of England Academy

Trustees' Report

Objectives, Strategies and Activities (continued)

With regard to the quality of school leadership and management (including Governors)

To improve leadership and management through:

- rigorous monitoring and evaluation that ensures key milestones are on track term by term to achieve July 2019 outcomes;
- utilising the management skills of the ICT leader to guide other subject leaders on school improvement actions in their areas including tracking assessment within their subject across the school;
- working with local cluster groups and schools to ensure practice is up-to-date and by providing feedback to staff;
- Governors playing a full and active role in setting the school's strategic direction and supporting the development of the Academy's Strategic Plan and School's self-evaluation process. Governors providing evidence of monitoring and progress towards milestones on track to reach July 2019 outcomes.

The Governance & Audit Committee led in identifying the following non-curricular priorities for 2018-21, which were incorporated in the Strategic Plan.:

With regard to Sites & Buildings

To improve Site Security by:

- ensuring the full implementation and operation of the electronic signing in system
- To further develop the effective use of ICT by:
- maintain a rolling programme for the replacement of IT hardware;
- To continue to develop the buildings by:
- install LED lighting throughout, as planned;
- furnishing the Planning, Preparation and Assessment room;
- submitting (a further) application for Condition Improvement Funding (CIF) for a Toilet Block.

With regard to Community Links

To improve Community Links by:

- further developing cluster school initiatives;
- improving external signage;
- further developing links with care homes;
- continuing to develop the site, including the Environmental Area, for increased community use;
- ensuring that press releases and other methods of publicising the achievements of the Academy and its pupils are as comprehensive as possible;
- developing pupil links with pre-schools.

Hook-with-Warsash Church of England Academy

Trustees' Report

Objectives, Strategies and Activities (continued)

With regard to Pupil Voice

To further develop Pupil Voice by:

- the School Council continuing to identify priority projects and to raise funds to achieve them;
- the Collective Worship Council continuing to play an active role in Collective Worship, including the development of new themes for Collective Worship.

With regard to Governance

To further strengthen Governance by:

- completing the process of appointing additional Members of the Academy Trust who are not Governors to achieve a majority of non-Governors;
- recruiting new Governors from across the community as necessary;
- maintaining forward financial planning to ensure sustainability;
- developing Individual Training Plans for Governors;
- improving the Mentoring of New Governors;
- continuing to develop the effectiveness of monitoring by Governors;
- ensuring that all Safeguarding measures are up-to-date and fully implemented.

The progress of the plan was particularly monitored by the Pupil Discipline, Curriculum & Early Years Committee but other areas were monitored, as appropriate, by other Governing Body Committees and all aspects were reported to the Full Governing Body.

The Governors' Monitoring Plan continued to include:

- areas of development which had been confirmed during the Ofsted inspection of March 2018;
- areas of development which had been identified during the Statutory Inspection of Anglican & Methodist Schools (SIAMs) of June 2015 (Forging Links Committee);
- the implementation of the Strategic Plan;
- the Governors' Statutory Responsibilities;
- Health and Safety and Premises Management considerations.

The Governors completed and reported on over forty monitoring visits. Many of them covering more than one aspect, to support the Academy in the implementation of its plans during 2018/19, in addition to receiving presentations from SLT and Subject Leaders at Pupil Discipline, Curriculum & Early Years Committee Meetings.

Members of the Sites & Buildings Committee completed six Sites walkabouts with the Facilities Manager and the staff Health and Safety Representative to monitor the management of the site and the Governor with responsibility for Health & Safety maintained a continually updated record of Health & Safety Management within the Academy. It should be noted that the CIF application (see above) was unsuccessful, for a third time as criteria continually changes, and that at the Finance & Personnel Committee meeting on 9 May 2019, it was agreed not to proceed with any future CIF applications relating to a Toilet Block.

Hook-with-Warsash Church of England Academy

Trustees' Report

Objectives, Strategies and Activities (continued)

The Internal Audit Officer led Members of the Finance & Personnel Committee in visiting the Academy to carry out regular financial checks, in accordance with a published programme, which were reported to both the Finance & Personnel Committee, in order to inform practice and to the Full Governing Body.

These processes contributed to Governors' triangulation within the monitoring process, thus ensuring that Governors were able to play a full part both in holding the Academy to account for its success and in future Strategic Planning.

At its review meeting on 14 March 2019, the Governance & Audit Committee was satisfied that appropriate progress was being made with regard to the implementation of the Strategic Plan 2018/19.

On 17 June 2019, Members of the Governance & Audit Committee again met with the SLT to establish the parameters of the Strategic Plan 2019/20, which in addition to sections on Pupil Achievement, the Quality of Teaching and Learning and the Quality of Leadership and Management, would include a section on Staff Welfare.

Public Benefit

The Academy's Trustees have complied with their duty to have due regard to the guidance on public benefit published by the charity commission. 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 2019 results and Phonics and includes the outcomes for Disadvantaged Pupils.

Early Years Foundation Stage

Good Learning Development (GLD) **77%** (77%); National **72%** (72%).

Subject	GLD+	Exceeding
Reading	88% (85%)	26% (27%)
Writing	79% (77%)	12% (17%)
Number	95% (93%)	35% (37%)

Figures in brackets are for 2018. While both the National and Hampshire figures for the percentage of pupils achieving GLD+ have remained static, the percentage for the Academy show significant increases in all subjects.

Hook-with-Warsash Church of England Academy

Trustees' Report

Achievements and Performance (continued)

Phonics Screening

93% (88%) of pupils in Year 1 passed. Of the 7 pupils in Year 2 who resat, having not passed in Year 1 in 2017, 6 passed. The National pass rate in 2019 was **82%** (83%) and in Hampshire **83%** (84%).

Figures in brackets are for 2018. While both the National and Hampshire figures for the percentage of pupils passing Phonics Screening in Year 1 have remained static, the percentage for the Academy shows a significant increase.

Key Stage 1 Teacher Assessment

Subject	Working below ARE	National Average ARE +	Age Related Expectation ARE +	Working above ARE	National Average above ARE
Reading	18% (12%)	(75%) 75%	82% (88%)	26% (36%)	25% (26%)
Writing	19% (15%)	(69%) 70%	81% (85%)	19% (18%)	15% (16%)
Maths	14% (12%)	(76%) 76%	86% (88%)	21% (25%)	21% (22%)

It should be noted that in Key Stage 1 Writing development was generally slower than Reading development. Consequently, the fact that achievement rates for writing approach parity with those of reading and maths is particularly pleasing and reflects the work of staff in putting the Strategic Plan 2018/19 into practice.

Figures in brackets are for 2018. While there is a slight drop in the percentage of Academy pupils achieving ARE+ at the end of Key Stage 1, thus reflecting the profile of what is a statistically small cohort, it remains significantly above the National Average.

Provisional Key Stage 2 Test Results

Key Stage 2 test result data is not fully confirmed as, at the time of writing, no notification of the threshold for pupils working at above ARE (high) had been received.

Subject	Working below ARE	National Average ARE	Age Related Expectation ARE	Working above ARE	National Average above ARE
Reading	18% (14%)	73% (75%)	82% (86%)	31% (38%)	27% (28%)
Writing	11% (12%)	78% (78%)	89% (88%)	28% (29%)	20% (20%)
SPaG	8% (13%)	78% (77%)	92% (86%)	44% (35%)	36% (34%)
Maths	8% (14%)	79% (75%)	92% (83%)	33% (35%)	27% (24%)

Figures in brackets are for 2018.

Hook-with-Warsash Church of England Academy

Trustees' Report

Achievements and Performance (continued)

The percentage of Academy pupils both at and above ARE shows increases almost across the board, which is particularly pleasing and reflects the work of staff in putting the Strategic Plan 2018/19 into practice. In all areas this level of achievement remains significantly above the National Average.

Floor Standard

National **65%** (64%)

Academy **79%** (78%)

Figures in brackets are for 2018.

Average Scaled Score 2019

Subject	National	Academy
Reading	104 (105)	105 (107)
SPaG	106 (106)	108 (107)
Maths	105 (104)	107 (105)

Figures in brackets are for 2018.

Disadvantaged Pupils

In Key Stage **67%** (2/3) of disadvantaged pupils achieved ARE in Reading, writing and maths.

In Key Stage 2 there were **3** disadvantaged pupils. **None** achieved ARE These pupils had entered Key Stage 2 at a low level and were in receipt of ELSA and/or SEND additional support.

It is pleasing that the Academy's results appeared to outperform National results.

As noted above, full confirmed and analysed Key Stage 2 SATs results for an academic year can never be available at the time of writing the Trustees Annual Report. The results available only refer to pupil attainment and not to pupil progress. For the sake of completeness, the Governors include information related to pupil progress for Key Stage 2 SATs taken in May 2018. The Analysis of School Performance (ASP) published in October 2018 showed that the Academy's results at Key Stage 2 (KS2) put the pupils in the expected range of Age-Related Expectations (ARE) based on prior (Key Stage 1) attainment data.

Hook-with-Warsash Church of England Academy

Trustees' Report

Achievements and Performance (continued)

2016			2017			2018		
Hook	Hants	National	Hook	Hants	National	Hook	Hants	National
Reading – Pupils achieving expected standard or better								
80%	70.9%	65.7%	78.9%	75.9%	71.5%	86.2%	78.4%	75.3%
Reading – High Attaining Pupils								
26.7%	22.8%	18.7%	22.8%	28.8%	24.5%	37.9%	31.5%	28.1%
Reading – Average Scaled Score#								
105.6	103.8	102.6	104.1	105.1	104.1	106.9	105.8	105.1
Writing – Pupils achieving expected standard or better								
83.3%	78.5%	74%	87.7%	80.4%	76.3%	87.9%	81.8%	78.3%
Writing – High Attaining Pupils*								
20%	19.9%	14.7%	28.1%	22.8%	17.7%	29.3%	24.1%	19.9%
Maths – Pupils achieving expected standard or better								
90%	71.4%	69.7%	86%	76.9%	74.9%	82.8%	78%	75.6%
Maths – High Attaining Pupils								
26.7%	17.4%	16.6%	31.6%	23.3%	22.6%	34.5%	24.6%	23.6%
Maths – Average Scaled Score#								
106.3	103.2	103	106.1	104.4	104.2	105.3	104.7	104.4

* There is no Average Scaled Score for writing as this is not externally tested. However, 2018 results were externally moderated

Scale Score for ARE is 100

Pupil progress at the end of Kay Stage 2 in 2018 was therefore above both Hampshire and National results both for 'all pupils' and for 'higher attaining pupils' in reading, writing and mathematics and the trend of results over time was upwards.

Triangulated Data related to Teaching

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

Date	Good	Outstanding
Spring	80% (87%)	20% (13%)
Summer	47% (60%)	53% (40%)

Figures for 2017/18 in brackets.

Hook-with-Warsash Church of England Academy

Trustees' Report

Achievements and Performance (continued)

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:
 - 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”
 - 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 Finance & Personnel 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 Finance & Personnel Committee, was augmented by monthly reports being copied to the Chair of Governors;
 - ensuring that bank reconciliations are evidenced as being reviewed throughout the year by someone independent of the preparer (Audit Findings);
 - establishing a system of annual salary statements for support staff (Audit Findings);
- the strategic lead given by the Governing Body
- 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 Leadership, and the monitoring of this process by the Governing Body;
- throughout the year all lessons were judged as at least ‘good’ (see above);
- the robust Strategic Plan, which continued to address issues related to pupil progress and factors impacting on that progress;
- 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 further development of more substantive links with the Church;
- the continuing involvement of the School Council in the development of pupil initiatives;
- the successful residential visits to: Stubbington Study Centre – Year 4; Dorset – Year 5; Normandy – Year 6;
- the successful production of Aladdin at Ferneham Hall, which involved all pupils from Years 1-6;
- the wide range of other extra-curricular activities, including participation of a large proportion of pupils in a large number of sports;
- 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 improvement to site security and the entrance to the building;

Hook-with-Warsash Church of England Academy

Trustees' Report

Achievements and Performance (continued)

- improvement in the lighting, replacing obsolete lights with more energy efficient and effective lighting in all areas;
- the improvement of the office space and teachers' preparation facilities, thus improving the efficiency and effectiveness of the Academy;
- 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 embedded use by Governors of Academy e-mail accounts to improve security of communications;
- the continuing support of the Academy by parents, with the Parent Teacher and Friends Association (PTFA) raising in excess of **£16,500** during the year – greatly appreciated by Governors, staff and pupils alike.

These successes, including the academic achievements of all the pupils and the wide range of enriching experiences offered to them, based on high quality teaching, should be seen in the context of prudent financial control, including careful recruitment. The Governors commend the Headteacher, SLT and all members of staff for their inspiring hard work in achieving this.

Key Performance Indicators

The Academy has an income that is set against 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 costs and overall expenditure against pupil performance to ensure that the Academy gives at least good value for money.

Governors' Skills are kept under review and no significant gaps were identified during 2018/19. The transition programme put in place after the retirement of the then Chair of Governors in July 2018 has proved to be particularly successful, with a new Chair being able to both put her own stamp on the role, whilst maintaining the previous robust and effective systems. A similar programme has been in place since January 2018 in preparation for the retirement of the Clerk/Company Secretary in December 2019.

Going Concern

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

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 above) 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
 - Appendix 1 – Financial Roles and Responsibilities;
 - Appendix 2 – Best Value Statement;
 - Appendix 3 – Statement of Financial Expectations;
 - Appendix 4 – Annual Statement of Internal Control;
- Reserves Policy;
- Sponsorship Policy.

As a consequence of the sound and prudent financial management by the Accounting Officer and the Business Manager (Chief Financial Officer), working with the Finance & Personnel Committee, the budgeted in-year deficit of £142,081, which had been amended at Budget Revision to £81,870, was further reduced through the year to a deficit of £844 (excluding restricted pension fund and restricted fixed asset fund) whilst a number of the developments and refurbishments identified as part of the Strategic Plan, were completed.

The Academy trust has £82,000 invested at Lloyds Bank on a 32-day renewable basis (the balance with interest at 31 August 2019 was £83,037) and £152,000 invested at Lloyds Bank in a 1-year fixed rate bond with a yield on 0.8%. The Finance & Personnel 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 is reviewed annually after External Audit and again on Budget Revision). The policy, as amended in May 2019, 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 furnishing of the redeveloped PPA room (formerly the ICT suite) to provide more conducive planning space for Members of staff; meeting space; space for 1:1/small group work with pupils;
 - the completion of any necessary significant repairs to the fabric of the building;
 - the provision of improved toilet facilities for Reception pupils (Academy Contribution), for which a CIF grant will be sought;
- to exercise due prudence in a situation in which there remains some financial uncertainty due to:
 - possible changes in Government policy and possible adverse changes in funding;
 - HCC's admissions procedures in the immediate area;
- a support fund for the Academy's self-insurance against staff absence."

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 2019 were as follows:

- Unrestricted (free) reserves of £115,301
- A restricted fixed asset fund of £3,854,508, which can only be realised through disposal of tangible fixed assets
- A pension deficit of £731,000
- Other restricted funds of £99,705
- Total funds of £3,338,514

The total of restricted and unrestricted income funds is £215,006.

The projected revenue deficit on the 1 September 2019 - 31 August 2020 budget, is £24,488, giving a Cumulative Surplus (balance in hand) of £190,518.

The budget set supports the priorities identified in the Strategic Plan 2019/20.

Hook-with-Warsash Church of England Academy

Trustees' Report

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 £234,000 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.

Principal Risks and Uncertainties

The income of the Academy only faces the uncertainty of the possibility of diminishing public resource as it is entirely state funded. The uncertainty is exacerbated by current national economic and financial uncertainty, including FBC and HCC plans (page 3). The principal risk to the Academy pertains to pupil numbers as its income is dependent on the number of pupils on roll. As a result of HCC indecision, the Governing Body remained aware that the number of pupils admitted into Year R would be, for the foreseeable future, a potential issue. However, it is pleased to report that the Academy will be admitting 60 pupils (against a PAN of 60) for its Year R intake in September 2019 and that there is a small waiting list. It is anticipated that the number on roll on 1 September 2019 will be 418.

The Governing Body remains fully aware of the Government's policy to establish MATs 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.

Fundraising

The Academy does not seek to raise substantial funds from external sources and, consequently does not use external fund raisers. Small amounts of sponsorship are raised from local businesses to support items such as the production of the termly newsletter.

Pupils raise funds through internal fund-raising days, non-uniform days and other activities to support projects identified by the School Council.

The PTFA raises funds for the Academy through its own voluntary activities (see page 21).

No unreasonably intrusive or persistent fundraising approaches or undue pressure to donate are employed and during 2018/19 no complaints have been received with regard to any fund-raising activities.

The Governing Body monitors all fund-raising activities.

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 Finance & Personnel 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 Sites & Buildings 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 the up-coming Statutory Inspection of Anglican and Methodist Schools (SIAMS).

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

All proposed actions for 2019/20 will be included in the Strategic Plan 2019/20. This document will not be finalised and approved by the Governing Body until after 31 August 2019. However, in outline the priorities for 2019/20 are:

Mathematics

Overarching School Objective (linked to budget):

- to increase the number of pupils achieving 'beyond' in Maths specifically by ensuring that reasoning tasks are being used regularly and effectively;
- to develop strategies to improve fluency in mathematics;
- to ensure use of the code in the feedback policy is being applied effectively to move learning forward and support reduction in teachers' workload;
- to develop teachers' ability to plan for variation within tasks in maths to maximise use of time when planning and creating resources.

Hook-with-Warsash Church of England Academy

Trustees' Report

Plans for Future Periods (continued)

Areas for development (identified from work-sampling/lessons observations/work scrutiny):

- to continue to move more pupils to greater depth;
- to continue to develop the use of visual models;
- to strengthen fluency skills including preparing year 4 pupils for the Times Tables test in the summer;
- to use a marking code to improve impact on learning and reduce marking workload;
- to prepare pupils for the Year 4 tables test;
- to develop use of feedback sheet in Maths lessons; (See Well-Being below)
- to develop a specific programme to support more than expected progress for Pupil Premium pupils.

Actions

- to continue to monitor coverage of objectives (particularly during the Autumn Term) to ensure teachers remain up to date;
- to monitor use of visual models including bar-modelling through set tasks in staff meetings and monitoring;
- to provide further training for all staff on developing fluency including the use of Maths games;
- to monitor use of visual models and share examples in staff meetings;
- to monitor use of working walls to ensure visual models are being provided and that adequate resources are available and easily accessible for pupils;
- to trial a feedback sheet with Maths and introduce to staff.

English

Overarching School Objective (linked to budget):

- to increase the number of pupils achieving 'beyond' in Reading and Writing to include development of more 'short write' tasks;
- to develop strategies to improve fluency in reading;
- to ensure use of the marking code in the feedback policy is being applied effectively to move learning forward and support reduction in teachers' workload;
- to plan for opportunities to tackle the 'vocabulary gap' and explore strategies with staff including training.

Areas for development (identified from work-sampling/lessons observations/work scrutiny):

- to continue to move more pupils to greater depth in reading and writing;
- to use of marking code to improve impact on learning and reduce marking workload;
- to develop use of feedback sheet in English lessons; (See Well-Being below)
- to be teach reading with fluency across the school;
- to widen vocabulary knowledge across the school to help close the vocabulary gap.

Hook-with-Warsash Church of England Academy

Trustees' Report

Plans for Future Periods (continued)

Actions

- to continue to monitor coverage of objectives (particularly during the Autumn Term) to ensure teachers remain up to date;
- to trial a feedback sheet with English and introduce to staff;
- to provide further training for closing the vocabulary gap; (INSET day?)
- to provide further training for reading with fluency.

SEND/Pupil Premium

Overarching School Objective (linked to budget):

- to embed the Pupil Premium Target sheets to ensure pupils make better than expected progress;
- to embed the new assessment data for SEND and Pupil Premium so children make measurable progress.

Areas for Development (Outcomes from work-sampling/lesson observations/work scrutiny):

- to purchase of a specific maths intervention to support learning and further measurable progress in maths for those children with SEND;
- to embed the use of SIMS Data input to record and show small measurable steps of progress for children with SEND;
- to develop more effective use and writing of IEP's related to SIMS data entry;
- to embed the use of Pupil Premium Target Sheets for pupils to move learning on more quickly and ensure better than expected progress is made.

Actions

- to provide support by SENDCo and Assessment Manager on the use of inputting data for pupils with SEND;
- to give time to teachers to input new assessment data;
- to provide support to teachers to complete Pupil Premium Target Sheets and set new targets.

Staff Well-being

Overarching School Objective:

- to develop strategies to improve the impact of feedback and reduce unnecessary marking;
- to encourage teachers to develop lessons through variation of tasks to reduce workload;
- to review expectations for assessment in non-core subjects and develop manageable strategies for achieving this;
- to develop effective cross-curricular links through planning to aid coverage of objectives from non-core subjects.

Hook-with-Warsash Church of England Academy

Trustees' Report

Plans for Future Periods (continued)

Areas for development (identified from work-sampling/lessons observations/work scrutiny):

- to reduce the amount of written marking by teachers in pupils' book;
- to reduce the amount of time spent planning and preparing resources;
- to create manageable expectations for assessment with subject managers;
- to Maximise the use of cross-curricular links to ensure coverage of objectives.

Actions

- to introduce revised feedback policy and marking codes;
- to include task variation in staff training;
- for subject managers to create a portfolio of 6 pupils work in each year group to represent. Examples of 'Below', 'Age-Related Expectation' and 'Beyond' for each subject rather than detailed assessment for every subject and every child.

Additional Strategic Commitments 2019-22

Sites & Buildings

- Ensure the full implementation and operation of the Electronic Signing-in System, including the interface with SIMs and ensuring that all Members of staff signed in and out;
- Continue to maintain a rolling programme for the replacement of IT hardware;
- Complete the furnishing of the PPA Room;
- Submit an application for Condition Improvement Funding for replacement windows in the Hall;

Community Links

- Further develop cluster school initiatives;
- Continue to develop the increased use of the site by adult and children's groups, during term time and during the school holidays, including use of the Environment Area;
- Continue to seek to improve external signage;
- Develop financial links with business, including identifying opportunities for match funding;
- Continue to ensure that press releases and other methods of publicising the achievements of the Academy and its pupils are as comprehensive as possible;
- Further develop links with Care Homes;
- Further develop pupil links with pre-schools;

Hook-with-Warsash Church of England Academy

Trustees' Report

Plans for Future Periods (continued)

Governance

- Recruit new Governors from across the community as necessary;
- Maintain forward financial planning to ensure sustainability;
- Develop Individual Training Plans, which include Induction, Mentoring and evaluation after three years of a term of office' for Governors;
- Continue to develop the sophistication of monitoring by Governors, including Internal Audit;
- Ensure that all Safeguarding measures remain up-to-date and fully implemented;
- Update the Business Continuity Plan to include Trauma counselling and any issues related to staff well-being;
- Introduce exit interviews for Staff and Governors, to inform planning

Pupil Voice

- The Collective Worship Council to continue to play an active role in Collective Worship, including continuing to develop new themes for Collective Worship.
- Continue to allow the School Council to identify priority projects and to raise funds to achieve them;
- Governors to continue to meet with groups of pupils and to implement the Adopt-a-Governor programme in order to 'hear' the pupil voice.

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 9 December 2019 and signed on the board's behalf by:

Alex Hughes

Trustee

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.

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 Full Governing Body (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:

	Meeting attended	Out of
Mr Roger Clear	7	7
Mrs Kate Bartlett	7	7
Mrs Sara Willoughby	7	7
Miss Nicole Whybrow	7	7
Mrs Alex Hughes	7 (1 by proxy)	7
Mrs Sandra Evans	7 (1 by proxy)	7
Miss Chrissy Forder	7 (1 by proxy)	7
Mrs Fran Munro	7 (1 by proxy)	7
Mr Nick St John	7 (1 by proxy)	7
Mr Iain Wilkie	7 (1 by proxy)	7
Mr Darren Nice	7 (2 by proxy)	7
Mr Luke Bailey	7 (3 by proxy)	7
Mr David Scott-Batey	7 (4 by proxy)	7
Mr Richard Johnson	7 (6 by proxy)	7
Miss Julie Nunn	6	7
Mr Paul Caiger-Watson	6 (1 by proxy)	7
Rev John Michael Terry	6 (3 by proxy)	7
Mr Andrew Beadsworth	6 (6 by proxy)	7
Mrs Gillian Gailor	3	3
Mrs Emma McQuiston	2	2

The overall attendance rate at Full Governing Body Meetings was 97.7%

Hook-with-Warsash Church of England Academy

Governance Statement

Governance (continued)

The General Meeting of the Members of the Trust scheduled for 8 July 2019 was cancelled. However, at the General Meeting held on 9 September 2019, Members discussed the attendance record of the Governing Body and instructed the Chair of Governors to contact Governors whose attendance was causing concern.

During 2018/19, Mr Andy Beadsworth, Mr Richard Johnson and Mr Darren Nice have all experienced some difficulty in attending all meetings as a result of work commitments. They have, however, continued to make significant contributions to the work of the Governing Body by:

- involvement in Site Walkabouts and Health and Safety Monitoring – Mr Beadsworth;
- Membership of the Development Working Group and attendance at meetings regarding Hampshire County Council's plans for school admissions in the area – Mr Johnson;
- leading and co-ordinating the work of financial monitoring as the Internal Audit Officer – Mr Nice.

In addition, they have been able to contribute to Committee and Full Governing Body decision making through the informed use of proxies at some meetings.

Mrs Alex Hughes was elected Chair of Governors on 6 September 2018.

Mrs Fran Munro was elected Chair of the Pupil Discipline, Curriculum & Early Years Committee on 6 September 2018, in succession to Mrs Gill Gailor.

Mrs Gailor remained a Member of the Pupil Discipline, Curriculum & Early Years Committee, in support of Mrs Munro, until she retired as a Governor, after 12 years, when her term ended on 19 December 2018.

Mrs Emma McQuiston was appointed as a Governor by the Members of the Trust to fill the long-standing vacancy created by Mr Peter Upward's retirement in July 2018, on 30 April 2019.

There remains one vacancy for an Appointed Governor, which it is anticipated will be filled in September 2019.

With the agreement of the Diocese, the number of Members was increased in order that the majority of Members are not Governors through the appointment of Mrs Gill Gailor as a non-Governor Member on 20 December 2018.

Hook-with-Warsash Church of England Academy

Governance Statement

Governance (continued)

The Finance and Personnel Committee is a committee of the Full Governing Body (Board of Trustees) with delegated powers. Its purpose on behalf of the Governing Body 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:
 - set and monitor the management of the annual budget and the three-year projected budget plan. deciding how to spend the Academy's budget in accordance with its Financial Policies;
 - 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.

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

	Meeting attended	Out of
Mr Luke Bailey	6	6
Mr Paul Caiger-Watson	6	6
Miss Nicole Whybrow	6	6
Mr Iain Wilkie	6	6
Mrs Sara Willoughby	6	6
Mr Roger Clear	6 (1 by proxy)	6
Mr Darren Nice	4 (2 by proxy)	6
Mr Richard Johnson	4 (3 by proxy)	6

The overall attendance rate at Finance & Personnel Committee Meetings was 95.8%.

The Governance & Audit Committee is also a committee of the Full Governing Body (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;
- support the work of the Internal Audit Officer.

Hook-with-Warsash Church of England Academy

Governance Statement

Governance (continued)

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

Its Membership comprised:

Mr Roger Clear, Vice Chair of Governors/ Representative of the Forging Links Committee;
Mrs Sandra Evans, Chair of the Sites & Building Committee/Training & Development Governor
Mrs Fran Munro, Chair of the Pupil Discipline, Curriculum & Early Years Committee
Mrs Alex Hughes, Chair of Governors
Mr Darren Nice, Internal Audit Officer
Mr Iain Wilkie, Chair of the Finance & Personnel Committee
Mrs Sara Willoughby, Headteacher/Accounting Officer

Specifically:

- at its meeting on 4 October 2018, the Committee:
 - considered the value of Individual Training Plans for Governors;
 - considered the differing roles of Governors/Trustees and Members of the Trust;
 - endorsed plans to ensure that Members of the Trust were better informed in advance of their AGM, thus increasing levels of Governor accountability;
 - ensured that possible future involvement of the Academy in a MAT, in some form, remained 'on the table'
- at its meeting on 26 November 2018, Members of the Committee met with Mr Richard Hurst, Hopper Williams & Bell Limited, to receive feedback on the annual audit, the outcomes of which were pleasing;
- at an extra-ordinary meeting on 25 February 2019, it reviewed the Teacher's pay Policy with regard to new appointments, on behalf of the Full Governing Body, in advance of pending interviews;
- at its meeting on 14 March 2019 it collated the reviews of the progress of the Strategic Plan 2018/19 to date and identified non-curricular strategic priorities for 2019/20;
- at its meeting on 17 June 2019, the Committee met with the SLT and the Strategic Priorities for 2019/20 were finalised.

The Internal Audit Officer delivered regular reports to the Finance & Personnel Committee. These were circulated to all Governors, thus allowing questions to be raised at Full Governing Body Meetings. No significant issues were identified. From September 2019, the role of the Governance & Audit Committee in receiving reports on Internal Audit will be enhanced.

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 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 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 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy 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 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

Hook-with-Warsash Church of England Academy

Governance Statement

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 finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mr Darren Nice MBA, FCCA, a trustee and certificated accountant, as Internal Audit Officer.

The Internal Audit Officer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems, in accordance with a published programme, including checking that:

- financial systems are operated by more than one person, including two signatures to draw funds from accounts;
- bank statements are correct and checked and bank accounts are never overdrawn and that bank reconciliations are reviewed throughout the year;
- a competitive tendering system is in place and applied fully;
- a whistleblowing policy is in place and readily available to all Members of staff;
- credit card statements are checked monthly and cleared in full and that there are no 'suspect' transactions;
- Business Continuity Plan and Risk Registers are in place and up-to-date;
- PAYE, National Insurance and VAT procedures are appropriate and followed, with payments are made in a timely manner;
- expenses and overtime claims are checked and authorised appropriately;
- adequate insurance is in place;
- the property is in the control of the Trustees;
- all Trustees have completed up to date registers of pecuniary and other interests;
- there is an accurate record of pupil numbers and attendance;
- annual salary statements are issued to all staff, including support staff.

Hook-with-Warsash Church of England Academy

Governance Statement

The Risk and Control Framework (continued)

In carrying out checks the Internal Audit Officer is supported by the Chair and other Members of the Finance & Personnel Committee thus ensuring:

- the widest possible coverage;
- an ever-increasing awareness of financial systems on the part of Members of the Committee.

The Internal Audit Officer reports regularly to the Finance & Personnel Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

During 2018/19 all appropriate checks as planned the Internal Audit Officer were carried out and no material control issues were found. However, as a result of the checks, the Academy proposes during the period 1 September 2019 to 31 August 2020 to strengthen the levels of internal control by ensuring that the Governance & Audit Committee receive Internal Audit Reports regularly (in addition to the Finance & Personnel Committee – twice per term and the reports being available for all Governors).

It should be noted that Mr Nick St John, a trustee and certificated accountant, is not a member of the Finance & Personnel Committee, thus ensuring that the Full Governing Body can offer appropriate informed challenge to the reports and recommendations of that Committee.

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 Audit Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the Business Manager (Chief Financial Officer) within the Academy Trust who has responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Personnel Committee and plans to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 9 December 2019 and signed on its behalf by:

Alex Hughes
Trustee

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 received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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

Sara Willoughby
Accounting Officer
9 December 2019

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 2015 and the Academies Accounts Direction 2018 to 2019
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the board of trustees on 9 December 2019 and signed on its behalf by:

Alex Hughes

Trustee

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 2019 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 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

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

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

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

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 Report of the Directors and Strategic Report and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report 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 to 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.

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 Report of Independent Auditors.

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.

R Hurst FCA (Senior statutory auditor)

For and on behalf of Hopper Williams & Bell Limited

Statutory Auditor

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

Date

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 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hook-with-Warsash Church of England Academy during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the governing body 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 Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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 Academies Accounts Direction 2018 to 2019 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:

- planning of assurance procedures including identifying key risks;
- substantive testing including analytical review;
- concluding on procedures carried out.

Substantive testing included the following procedures:

- confirming that activities conform to the Academy Trust's framework of authorities;
- considering the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;
- evaluating the general control environment of the Academy Trust;
- testing a sample of transactions to consider whether the transaction is permissible within the Academy Trust's framework of authorities;
- confirming whether any extra-contractual payments have been made and whether appropriate authority was obtained;
- reviewing documentation for evidence of borrowing and confirming if approval was obtained from the ESFA;
- confirming whether ESFA approval was obtained for any disposals of assets;
- reviewing the internal control procedures relating to credit cards;
- reviewing for any indication of purchases for personal use by staff or officers;
- reviewing the list of suppliers to consider whether supplies are from related parties;
- considering whether income generating activities are permissible within the Academy Trust's charitable objects;
- reviewing whether lettings to related parties are made at favourable rates.

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

R Hurst FCA
Reporting Accountant
Hopper Williams & Bell Limited
Chartered Accountants
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date

Hook-with-Warsash Church of England Academy

Statement of Financial Activities for the year ended 31 August 2019 (including Income and Expenditure Account)

	Note	Un- restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2018/19 Total £	2017/18 Total £
Income and endowments from:							
Donations and capital grants	2	-	37,482	-	24,843	62,325	41,556
Charitable activities:							
Funding for the academy trust's educational operations	3	-	1,682,866	-	-	1,682,866	1,602,459
Other trading activities	4	30,969	-	-	-	30,969	14,005
Investments	5	1,968	-	-	-	1,968	1,368
Total		32,937	1,720,348	-	24,843	1,778,128	1,659,388
Expenditure on:							
Charitable activities:							
Academy trust educational operations	7	12,202	1,733,991	96,000	85,032	1,927,225	1,818,298
Net income / (expenditure)		20,735	(13,643)	(96,000)	(60,189)	(149,097)	(158,910)
Transfers between funds	16	-	(7,936)	-	7,936	-	-
Other recognised gains / (losses):							
Actuarial (losses) / gains on defined benefit pension schemes	23	-	-	(210,000)	-	(210,000)	124,000
Net movement in funds		20,735	(21,579)	(306,000)	(52,253)	(359,097)	(34,910)
Reconciliation of funds							
Total funds brought forward		94,566	121,284	(425,000)	3,906,761	3,697,611	3,732,521
Total funds carried forward		115,301	99,705	(731,000)	3,854,508	3,338,514	3,697,611

The notes on pages 48 to 67 form part of these financial statements.

Hook-with-Warsash Church of England Academy

Balance Sheet as at 31 August 2019

Company Number 08153776

	Note	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	11		3,817,103		3,894,199
Current assets					
Debtors	12	56,882		113,864	
Investments	13	152,000		150,900	
Cash at bank and in hand		230,441		222,140	
		<u>439,323</u>		<u>486,904</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(172,326)</u>		<u>(240,540)</u>	
Net current assets			<u>266,997</u>		<u>246,364</u>
Total assets less current liabilities			4,084,100		4,140,563
Creditors:					
Amounts falling due after more than one year	15		<u>(14,586)</u>		<u>(17,952)</u>
Net assets excluding pension liability			4,069,514		4,122,611
Defined benefit pension scheme liability	23		(731,000)		(425,000)
Total net assets			<u>3,338,514</u>		<u>3,697,611</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16	3,854,508		3,906,761	
Restricted income fund	16	99,705		121,284	
Pension reserve	16	<u>(731,000)</u>		<u>(425,000)</u>	
Total restricted funds			3,223,213		3,603,045
Unrestricted income funds	16		115,301		94,566
Total funds			<u>3,338,514</u>		<u>3,697,611</u>

The financial statements on pages 45 to 67 were approved by the trustees and authorised for issue on 9 December 2019 and are signed on their behalf by:

Alex Hughes
Trustee

The notes on pages 48 to 67 form part of these financial statements.

Hook-with-Warsash Church of England Academy

Statement of Cash Flows for the year ended 31 August 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	19	17,337	(4,146)
Cash flows from investing activities	20	(9,036)	(50,900)
Change in cash and cash equivalents in the reporting period		8,301	(55,046)
Cash and cash equivalents at 1 September 2018		222,140	277,186
Cash and cash equivalents at 31 August 2019	21	230,441	222,140

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

- **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.

- **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.

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

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'.

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 2019

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

Long leasehold land has not been depreciated 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 2019

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.

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 as detailed in note 12. Prepayments are not financial instruments.

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.

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 2019

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

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

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

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 2019

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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The assumptions used are disclosed in note 23.

Critical areas of judgement

There are no other critical areas of judgement.

2 Donations and capital grants

	Unrestricted funds	Restricted funds	2018/19 Total	2017/18 Total
	£	£	£	£
Capital grants	-	24,843	24,843	8,601
Other donations	-	37,482	37,482	32,955
	-	62,325	62,325	41,556
<i>Total 2018</i>	-	41,556	41,556	

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2018/19 Total £	2017/18 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	1,379,230	1,379,230	1,326,817
Pupil premium	-	33,548	33,548	32,518
Other DfE Group grants	-	104,072	104,072	91,507
	-	1,516,850	1,516,850	1,450,842
Other Government grants				
Local authority grants	-	44,513	44,513	32,624
Other income from the academy trust's educational operations				
Trip income	-	57,634	57,634	56,729
Tuition fee income	-	11,624	11,624	12,855
Catering income	-	47,475	47,475	45,559
Other income	-	4,770	4,770	3,850
	-	121,503	121,503	118,993
	-	1,682,866	1,682,866	1,602,459
<i>Total 2018</i>	-	1,602,459	1,602,459	

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2018/19 Total £	2017/18 Total £
Hire of facilities	15,671	-	15,671	10,410
Sale of goods and services	15,298	-	15,298	3,595
	30,969	-	30,969	14,005
<i>Total 2018</i>	14,005	-	14,005	

5 Investment income

	Unrestricted funds £	Restricted funds £	2018/19 Total £	2017/18 Total £
Short term deposits	1,968	-	1,968	1,368
<i>Total 2018</i>	1,368	-	1,368	

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

6 Expenditure

	Staff costs	Non Pay Expenditure		Total	Total
		Premises	Other	2018/19	2017/18
	£	£	£	£	£
Academy's educational operations:					
Direct costs	1,086,019	-	194,363	1,280,382	1,202,378
Allocated support costs	289,797	94,932	262,114	646,843	615,920
	<u>1,375,816</u>	<u>94,932</u>	<u>456,477</u>	<u>1,927,225</u>	<u>1,818,298</u>
<i>Total 2018</i>	<i>1,260,612</i>	<i>125,523</i>	<i>432,163</i>	<i>1,818,298</i>	

Net income/(expenditure) for the period includes:

	2018/19	2017/18
	£	£
Operating lease rentals	3,847	3,847
Depreciation	85,032	86,799
Fees payable to auditor for:		
Audit	5,155	5,055
Other services	2,875	2,930

7 Charitable activities

	2018/19	2017/18
	Total	Total
	£	£
Direct costs	1,280,382	1,202,378
Support costs	646,843	615,920
	<u>1,927,225</u>	<u>1,818,298</u>

Analysis of support costs:

	Educational operations	2018/19	2017/18
		Total	Total
	£	£	£
Support staff costs	289,797	289,797	239,090
Depreciation	85,032	85,032	86,799
Technology costs	11,588	11,588	11,259
Premises costs	94,932	94,932	125,523
Other support costs	157,464	157,464	145,264
Governance costs	8,030	8,030	7,985
Total support costs	<u>646,843</u>	<u>646,843</u>	<u>615,920</u>
<i>Total 2018</i>	<i>615,920</i>	<i>615,920</i>	

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

8 Staff

a) Staff costs

Staff costs during the period were:

	2018/19	2017/18
	£	£
Wages and salaries	1,018,697	963,151
Social security costs	83,043	80,711
Pension costs	266,862	211,536
	1,368,602	1,255,398
Agency staff costs	7,214	5,214
	1,375,816	1,260,612

b) Staff numbers

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

	2018/19	2017/18
	No.	No.
Teachers	15	15
Administration and support	45	48
Management	3	3
	63	66

c) Higher paid staff

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

	2018/19	2017/18
	No.	No.
£60,000 - £70,000	1	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 £203,923 (2018: £194,116).

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

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:

		2018/19	2017/18
		£000	£000
A total of three (2018: three)	Remuneration	120-125	115-120
(Staff trustees)	Employer’s pension contributions paid	15-20	15-20

During the period ended 31 August 2019, no trustees received any reimbursement of expenses (2018: none).

10 Trustees and officers insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2m on any one claim and the cost for the period ended 31 August 2019 was £991 (2018: £884). The cost of this insurance is included in the total insurance cost.

11 Tangible fixed assets

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Total £
Cost				
At 1 September 2018	4,276,000	26,000	96,055	4,398,055
Acquisitions	-	-	7,936	7,936
At 31 August 2019	<u>4,276,000</u>	<u>26,000</u>	<u>103,991</u>	<u>4,405,991</u>
Depreciation				
At 1 September 2018	399,840	26,000	78,016	503,856
Charged in year	66,640	-	18,392	85,032
At 31 August 2019	<u>466,480</u>	<u>26,000</u>	<u>96,408</u>	<u>588,888</u>
Net book values				
At 31 August 2018	3,876,160	-	18,039	3,894,199
At 31 August 2019	<u>3,809,520</u>	<u>-</u>	<u>7,583</u>	<u>3,817,103</u>

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

12 Debtors

	2018/19	2017/18
	£	£
Trade debtors	3,372	1,503
VAT recoverable	5,609	23,574
Prepayments and accrued income	47,901	88,787
	56,882	113,864

13 Current asset investments

	2018/19	2017/18
	£	£
Bank deposits	152,000	150,900

14 Creditors: amounts falling due within one year

	2018/19	2017/18
	£	£
Trade creditors	30,212	96,239
Other taxation and social security	21,418	20,335
Loans falling due within one year	2,244	-
Other creditors falling due within one year	22,397	20,988
Accruals and deferred income	96,055	102,978
	172,326	240,540

	2018/19	2017/18
	£	£
Deferred income at 1 September 2018	68,229	48,362
Released from previous years	(68,229)	(48,362)
Resources deferred in the year	70,828	68,229
Deferred income at 31 August 2019	70,828	68,229

At the balance sheet date the academy trust was holding funds received in advance from the ESFA for provisional funding received in respect of the Universal Infant Free School Meals programme, and trips in respect of 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.

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

15 Creditors: amounts falling due in greater than one year

	2018/19 £	2017/18 £
Loans falling due in greater than one year	14,586	17,952

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.

16 Funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2019 £
Restricted general funds						
General Annual Grant (GAG)	-	1,379,230	(1,379,230)	-	-	-
Pupil Premium	-	33,548	(33,548)	-	-	-
Other DfE/ESFA grants	-	104,072	(104,072)	-	-	-
Other government grants	-	44,513	(44,513)	-	-	-
Other educational activities	121,284	158,985	(172,628)	(7,936)	-	99,705
	121,284	1,720,348	(1,733,991)	(7,936)	-	99,705
Pension reserve	(425,000)	-	(96,000)	-	(210,000)	(731,000)
	(303,716)	1,720,348	(1,829,991)	(7,936)	(210,000)	(631,295)
Restricted fixed asset funds						
Fixed asset fund	3,894,199	-	(85,032)	7,936	-	3,817,103
DfE Group capital grants (DFC)	12,562	24,843	-	-	-	37,405
	3,906,761	24,843	(85,032)	7,936	-	3,854,508
Total restricted funds	3,603,045	1,745,191	(1,915,023)	-	(210,000)	3,223,213
Total unrestricted funds	94,566	32,937	(12,202)	-	-	115,301
Total funds	3,697,611	1,778,128	(1,927,225)	-	(210,000)	3,338,514

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

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, for example pupil premium funding.

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 tangible fixed assets.

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.

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

16 Funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2018 £
Restricted general funds						
General Annual Grant (GAG)	-	1,326,817	(1,326,817)	-	-	-
Pupil Premium	-	32,518	(32,518)	-	-	-
Other DfE/ESFA grants	-	91,507	(91,507)	-	-	-
Other government grants	-	32,624	(32,624)	-	-	-
Other educational activities	151,852	151,948	(182,516)	-	-	121,284
	151,852	1,635,414	(1,665,982)	-	-	121,284
Pension reserve	(490,000)	-	(59,000)	-	124,000	(425,000)
	(338,148)	1,635,414	(1,724,982)	-	124,000	(303,716)
Restricted fixed asset funds						
Fixed asset fund	3,980,998	-	(86,799)	-	-	3,894,199
DfE Group capital grants (DFC)	10,478	8,601	(6,517)	-	-	12,562
	3,991,476	8,601	(93,316)	-	-	3,906,761
Total restricted funds	3,653,328	1,644,015	(1,818,298)	-	124,000	3,603,045
Total unrestricted funds	79,193	15,373	-	-	-	94,566
Total funds	3,732,521	1,659,388	(1,818,298)	-	124,000	3,697,611

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

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	-	-	-	3,817,103	3,817,103
Current assets	115,301	286,617	-	37,405	439,323
Current liabilities	-	(172,326)	-	-	(172,326)
Non-current liabilities	-	(14,586)	-	-	(14,586)
Pension scheme liability	-	-	(731,000)	-	(731,000)
Total net assets	115,301	99,705	(731,000)	3,854,508	3,338,514

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	-	-	-	3,894,199	3,894,199
Current assets	94,566	379,776	-	12,562	486,904
Current liabilities	-	(240,540)	-	-	(240,540)
Non-current liabilities	-	(17,952)	-	-	(17,952)
Pension scheme liability	-	-	(425,000)	-	(425,000)
Total net assets	94,566	121,284	(425,000)	3,906,761	3,697,611

18 Commitments under operating leases

At 31 August 2019 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018/19	2017/18
	£	£
Amounts due within one year	3,847	3,847
Amounts due between one and five years	-	3,847
	3,847	7,694

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

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

	2018/19 £	2017/18 £
Net expenditure for the reporting period	(149,097)	(158,910)
Adjusted for:		
Depreciation	85,032	86,799
Defined benefit pension scheme cost less contributions payable	85,000	47,000
Defined benefit pension scheme finance cost	11,000	12,000
Decrease / (increase) in debtors	56,982	(72,164)
(Decrease) / increase in creditors	(71,580)	81,129
Net cash provided by / (used in) Operating Activities	<u>17,337</u>	<u>(4,146)</u>

20 Cash flows from investing activities

	2018/19 £	2017/18 £
Increase in current asset investments	(1,100)	(50,900)
Purchase of tangible fixed assets	(7,936)	-
Net cash used in investing activities	<u>(9,036)</u>	<u>(50,900)</u>

21 Analysis of cash and cash equivalents

	2018/19 £	2017/18 £
Cash in hand and at bank	<u>230,441</u>	<u>222,140</u>

22 Members liability

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

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

23 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 2012 and of the LGPS 31 March 2016.

Contributions amounting to £22,397 were payable to the schemes at 31 August 2019 (2018: £20,800) and are included within creditors.

Teachers' Pension Scheme

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

The Teachers' Pension budgeting and valuation account

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

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

Valuation of the Teachers' Pension Scheme

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

A copy of the latest valuation report can be found on the Teachers' Pension Scheme website at:
<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

23 Pension and similar obligations (continued)

Scheme changes

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

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

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

The employer's pension costs paid to TPS in the period amounted to £108,230 (2018: £102,068).

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 2019 was as follows:

	2019	2018
	£	£
Employer's contributions	71,000	64,000
Employees' contributions	19,000	19,000
	90,000	83,000

The agreed contribution rates for future years are 16.2% 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.

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

23 Pension and similar obligations (continued)

Principal actuarial assumptions

	2019	2018
Rate of increase in salaries	3.6%	3.5%
Rate of increase for pensions in payment/inflation	2.1%	2.0%
Discount rate for scheme liabilities	1.8%	2.8%
Inflation assumption (CPI)	2.1%	2.0%

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

	2019	2018
<i>Retiring today</i>		
Males	23.1	24.1
Females	25.8	27.2
<i>Retiring in 20 years</i>		
Males	24.7	26.2
Females	27.6	29.4

Sensitivity analysis

	Increase/(reduction) in defined benefit obligation	
	2019	2018
	£	£
Discount rate +0.1%	(37,000)	(29,000)
Discount rate -0.1%	38,000	29,000
Mortality assumption – 1 year increase	64,000	41,000
Mortality assumption – 1 year decrease	(64,000)	(41,000)

The academy trust's share of the assets in the scheme were:

	2019	2018
	£	£
Equities	689,000	648,000
Property	82,000	70,000
Government bonds	236,000	232,000
Corporate bonds	-	12,000
Cash	22,000	23,000
Other	115,000	29,000
Total market value of assets	1,144,000	1,014,000

The actual return on scheme assets was £63,000 (2018: £66,000).

Hook-with-Warsash Church of England Academy

Notes to the Financial Statements for the Year Ended 31 August 2019

23 Pension and similar obligations (continued)

Amount recognised in the Statement of Financial Activities

	2018/19	2017/18
	£	£
Current service cost	108,000	111,000
Past service cost	48,000	-
Interest income	(29,000)	(23,000)
Interest cost	40,000	35,000
Total amount recognised in the SOFA	167,000	123,000

The past service cost represents an actuarial estimate of the additional underpin liability arising as a result of the McCloud/Sargeant judgement in December 2018 and the Supreme Court's decision not to allow the Government an appeal on 27 June 2019.

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

	2018/19	2017/18
	£	£
At 1 September	1,439,000	1,390,000
Current service cost	108,000	111,000
Interest cost	40,000	35,000
Employee contributions	19,000	19,000
Actuarial loss / (gain)	244,000	(81,000)
Benefits paid	(23,000)	(35,000)
Past service cost	48,000	-
At 31 August	1,875,000	1,439,000

Changes in the fair value of academy trust's share of scheme assets:

	2018/19	2017/18
	£	£
At 1 September	1,014,000	900,000
Interest income	29,000	23,000
Actuarial gain	34,000	43,000
Employer contributions	71,000	64,000
Employee contributions	19,000	19,000
Benefits paid	(23,000)	(35,000)
At 31 August	1,144,000	1,014,000

24 Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.