

Report of the Governors and
Financial Statements
for the Year Ended 31 August 2023
for
Holmer Church Of England Academy

Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7B5

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for the Year Ended 31 August 2023

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Reference and Administrative Details
for the Year Ended 31 August 2023

MEMBERS:

Mrs S J Lewis (Chair)
Mrs PA Andrews
A Wibmer

GOVERNORS (TRUSTEES)

Miss E Stackhouse	Non-teaching staff
Mrs R J Maund	Head Teacher
Mrs H Shellam	Teacher
Rev S Lee	Ex Officio (resigned 09.07.23)
Mrs A Barnstable	Co-opted
Mrs M Hampshire	Foundation
Rev E Butler	Foundation (resigned 07.11.23)
Mrs S Lewis	Parent (Chair of Governors)
Mr S Murphy	Parent (appointed 21.03.23)
Rev R Oram	Parent (resigned 29.11.22)
Mrs J Tate	Interim ex-officio Foundation (appointed 26.10.23)

**MEMBERS OF FINANCE AND
GENERAL PURPOSE COMMITTEE**

Miss M Hampshire	Foundation
Mrs Amy Barnstable	Co-opted
Rev S Lee	Co-opted
Mrs S Lewis	Parent

SENIOR MANAGEMENT TEAM

Mrs J Maund	Head Teacher
Mrs A Keating	Deputy Head/Teacher
Miss K Thomas	Assistant Head
Mrs Z Jackson	Teacher
Mrs H Shellam	Teacher
Mrs B Deuchar	Teacher
Mr E Hartland	Teacher

ACCOUNTING OFFICER

Mrs R J Maund

SCHOOL BUSINESS MANAGER

Miss E Stackhouse

COMPANY NAME

Holmer Church of England Academy

REGISTERED OFFICE

Holmer Church of England Academy
Holmer Road
Hereford
Herefordshire
HR4 9RX

REGISTERED COMPANY NUMBER

07850551 (England and Wales)

SENIOR STATUTORY AUDITOR

Lisa Weaver FCCA

AUDITORS

Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7B5

BANKERS

Lloyds Bank PLC
8 High Town
Hereford
HR1 2AE

Report of the Governors
for the Year Ended 31 August 2023

The governors who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2023. The governors have adopted the provisions of 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) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

Holmer Church of England Academy is situated approximately one mile from the city centre of Hereford on the A49 (Hereford to Shrewsbury Road). It was founded in 1857 and moved to its present location in 1874. The school has a PAN of 420 with two classes in each year group. Within the immediate vicinity of the school is a retail shopping park, leisure centre and to the rear of the school Hereford Racecourse. The school has undergone expansion and development over the years and is a combination of Victorian and modern buildings. The catchment area of the school includes some new housing estates as well as long established dwellings.

OBJECTIVES AND ACTIVITIES

Objectives and aims

"Inspiring children to create a better world"

Matthew 5:13-15 "You are the salt of the earth you are the light of the world."

Generosity of Spirit

Luke 10 vs 34:35 "He went to him and bandaged his wounds, pouring on oil and wine. Then he put the man on his own donkey, brought him to an inn and took care of him. The next day he took out two denarii and gave them to the innkeeper. 'Look after him', he said".

This is shown through the parable of the Good Samaritan. It is at great cost to the Samaritan stopping in a dangerous place to help where he could have been set upon. His compassion and love extend to someone who is seen as his enemy. His generosity continued in the way he paid the Inn for the Samaritan to stay and recover.

Generosity of spirit is also shown in the way we treat other people. Generosity is about a willingness to give or to share to others. We think about how we treat other people, we notice the needs of others and show compassion. We try to show forgiveness when we have been hurt. We respect ourselves and other people and learn from people whose opinion, faith or culture are different from our own. We show thankfulness for all the goodness in our lives and the opportunities we have.

Service to Others

Jesus said: "Whatever you did for one of the least of these brothers and sisters of mine, you did for me." Matthew 25:40

Through learning from the parable of The Sheep and the Goats, we learn about the importance of actively responding to help those in need, regardless of circumstances. By showing service to others, we are showing that we truly belong to Jesus; we will show love for others as Jesus shows love for us. The parable reminds us that we can show our love for God by loving one another.

Service to others is also shown through the way we act and behave. We treat people fairly, showing justice and have the courage to make the right decisions even when this is difficult. In offering service, we show friendship to everyone within our school, our community and in the wider world. Through our trust in God, we believe in ourselves and each other in our thoughts, words and actions.

Commitment to Excellence

"You have been faithful with a few things; I will put you in charge of many things." Matthew 25 vs21

Through the parable of the Talents, we learn that our talents are not our own and that we have done nothing to deserve them. As such, we have a responsibility to use the talents we have been given. We also learn that, just like the third servant, we do not all have equal talents and that this is ok. It does not necessitate jealousy, self-pity or giving up.

In our commitment to excellence in work and play we try to always try to do our very best. We show perseverance when we find things difficult and always try to show honesty. We show service by using the talents that we have to serve others or brighten up their day. We set high aspirations and expect everyone to work hard to the best of their ability using and nurturing the special gifts that God has given them.

Report of the Governors
for the Year Ended 31 August 2023

Exploring Jesus - the light of the world

"Rejoice with me, for I have found my sheep which was lost!" Luke 15:6-7

Through the parable of the Lost sheep we learn how a shepherd knows all of his sheep and is concerned about the condition of every one of them. He decides to go after that sheep and save it, because it went astray!

God loves everyone. This gives a powerful picture of the human state and our relationship with God. We use this parable to reflect on our need of God's love and God's love and care for us.

Through exploring Jesus, the Light of the World, we provide opportunities to develop spirituality, understanding that this journey will be different for everyone as we are all unique. As we better understand the light of the world, we are better able to see how we can be "children of the light."

Our aim is to help children realise their full potential by providing:

The highest quality education within the context of Christian belief.

A happy and attractive environment which enables children to make the most of their opportunities and abilities.

A caring and approachable staff and an ethos of concern for others and responsibility for our own actions.

A broad, balanced, challenging and relevant curriculum which caters for the needs of individual children.

Up-to-date learning materials, technology, teaching and learning experiences.

We also aim to help our children develop:

An understanding of the Christian faith and promote Christian values for all pupils.

Courtesy, good manners and consideration towards others.

Relationships based on mutual respect and self-discipline.

Lively minds, knowledge, understanding and a range of practical and mental skills.

A love of books, pride in the quality of their work.

Appreciation and interest in music, art and drama.

Healthy bodies and physical skills in PE, swimming and games.

Respect for the World in which we live and concern for it and its dwindling resources.

Independence and self-reliance.

Objectives, Strategies and Activities

Key priorities for the year are contained in our school Improvement Plan which is available from the school office.

The School Development Plan identifies development under the four Key Judgement Areas of: Leadership and Management, Personal Development Welfare and Behaviour, Quality of Teaching Learning and Assessment and Outcomes for children and learners. As well as this, priorities for development within the Early Years are identified.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

Report of the Governors
for the Year Ended 31 August 2023

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Academy is in its eleventh year of performance and has over the last five years increased in size to now operating near capacity. The Academy has admitted a full complement of 60 pupils, with the last three years being over subscribed.

Data 2023

At the end of foundation stage, in 2023 the Academy's attainment resulted in 84.7% of pupils attaining a good level of development, significantly above the national figure above the national figure for 2023 of 67.3%. The Academy tracked the progress pupils made from their point of entry. The average number of early learning goals was 15.1 compared to a national figure of 14.1

TABLE OF RESULTS

Year 1 Phonics

In 2022/23 significant investment was made in phonics teaching through both resources and staff CPD. 90% of pupils passed the year 1 phonics test, above national figures of 78.9% and an increase from 2022 attainment at 81.7%.

End Key Stage 1

With a cohort of 60 pupils, attainment was above national at expected plus and greater depth in writing reading and mathematics.

Writing

Working Towards			Expected Standard+			Greater Depth		
No	%	Nat	No	%	Nat	No	%	Nat
7	12%	31%	48	80%	58%	11	18%	8%

Reading

Working Towards			Expected Standard+			Greater Depth		
No	%	Nat	No	%	Nat	No	%	Nat
7	12%	23%	49	82%	67%	14	23%	18%

Maths

Working Towards			Expected Standard+			Greater Depth		
No	%	Nat	No	%	Nat	No	%	Nat
6	10%	24%	51	85%	68%	16	27%	15%

78.3% attained expected level in reading writing and maths combined compared to 56% nationally
16.1% attained greater depth in reading writing and maths combined compared to 6.2% nationally.

The Key Stage 1 results show sustained performance above national comparators. In the vast majority of areas attainment is inline or above pre pandemic attainment.

Year 4 Multiplication Check

Holmer Mean Score 2023	23.40	National Mean Score 2023	Not published yet
National Mean Score 2022	19.8	78.9% of pupils scored 24 or 25 marks out of 25	

Report of the Governors

for the Year Ended 31 August 2023

Key Stage 2 National Curriculum Tests 2023

For each child raw scores were converted into scaled scores in a range 80 –120

Scaled score of 100+ = standard met

Scaled score of 110+ = higher standard met

Writing was teacher assessed with higher standard = greater depth

Expected Standard Reading			Expected Standard GPVS			Expected Standard Writing			Expected Standard Maths			Expected Standard RWM		
No	%	Nat	No	%	Nat	No	%	Nat	No	%	Nat	No	%	Nat
50	86%	75%	49	84%	72%	52	90%	69%	53	91%	71%	51	88%	59%

At end of Key Stage 2 in 2023, the percentage of pupils attaining the expected standard was above national in all areas.

Higher Standard Reading			Higher Standard GPVS			Higher Standard Writing			Higher Standard Maths			Higher Standard RWM		
No	%	Nat	No	%	Nat	No	%	Nat	No	%	Nat	No	%	Nat
16	28%	28%	23	40%	28%	17	29%	13%	15	26%	22%	6	10%	7%

At the end of Key Stage 2 in 2023, the percentage of pupils attaining the higher standard in reading was in line with national and above in all other areas.

Average Scale Scores 2023

Reading Test Scaled Score Averages			Maths Test Scaled Score Averages			GPVS Scaled ScoreAverages		
Number of Results	Average Scaled Score School	Average Scaled Score National	Number of Results	Average Scaled Score School	Average Scaled Score National	Number of Results	Average Scaled Score School	Average Scaled Score National
57	105.6	105.0	57	105.7	104.0	57	106.8	105.0

Key stage 2 average scaled scores were above national in all areas.

Report of the Governors
for the Year Ended 31 August 2023

Key Stage 2 Progress Scores

Interpreting progress scores

Progress scores will be centred around 0, with most schools within the range of -5 to +5.

A score of 0 means pupils in this school on average do about as well at KS2 as those with similar prior attainment nationally.

A positive score means pupils in this school on average do better at KS2 as those with similar prior attainment nationally.

A negative score means pupils in this school on average do worse at KS2 as those with similar prior attainment nationally.

Progress scores in writing and maths are positive. Progress in reading is below. Less pupils attained greater depth in reading at Key stage 2. This will be a focus of school improvement next year.

To ensure that achievement continues to remain above national averages in the academy and that all pupils make at least expected progress, with a significant amount of pupils making more than expected progress the Academy will:

- Continue to look at the gaps and education the children have missed and work quickly to close the gaps
- Provide additional support and catch up for those children whose education has been most detrimentally affected by the pandemic using tuition
- Implement intervention and support for pupils who are not making expected progress focusing on identified areas of development within the academy
 - Implement intervention and support for pupils who are attaining below age expected outcomes
- Implement intervention and support for pupils who need to be challenged to attain the highest levels
- Monitor the attainment of all pupils
- Monitor the attainment and progress of significant groups of pupils with the academy
- Monitor and support the needs of pupil premium and disadvantaged pupils.
- Develop oracy skills across the curriculum through the participation in the Voice 21 Oracy project
- Develop Reading for pleasure agenda to improve the percentage of children attaining greater depth at Key Stage 2.

Key financial performance indicators

These are covered throughout the Governors' Report.

Financial review

Financial position

The majority of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for capital expenditure from the DfE in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities Statement of Recommended Practice (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned as defined in the Academy's accounting policies.

During the year ended 31 August 2023, total expenditure of £1,915,585 (2022: £1,692,569) was covered by recurrent grant funding from the DfE together with other incoming resources. The total net incoming resources before transfers and revaluations for the year was £503,017 (2022: deficit £173,703).

At 31 August 2023, the net book value of fixed assets was £3,107,421 (2022: £2,222,667) and movements in tangible fixed assets are shown in the notes to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

At 31 August 2023, the in-year surplus was £701,017 (2022: £627,297 surplus) after actuarial gains/losses on defined benefit schemes.

Investment policy and objectives

Any excess monies are put on short-term deposits to obtain the best returns possible.

STRATEGIC REPORT

Financial review

Reserves policy

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £264,655 (2022: £252,609), all of which is free reserves. The level of general restricted reserves is £219,954 (2022: £597,735).

The academy sets a policy of reserve of holding three months salary bill, equating to £390,000. The reserve in excess of this currently being held are to enable the Academy to maintain increased teacher pupil ratio, with children in upper Key Stage 2 being taught in three classes for core teaching of mathematics and Literacy and to provide additional tutoring and bespoke interventions. In light of disruptions due to the pandemic the reserves will enable this additional support to continue over the coming years. Other reserves are being held to support the building project which commenced in October 2022.

Going concern

After making appropriate enquiries, the Governing Body 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.

Fundraising

The academy trust does not use any external fundraising. All fundraising undertaken during the year was monitored by the Trustees.

Principal risks and uncertainties

The Governors consider that the principal risks and uncertainties facing the Academy are:

- Meeting requisite standards of education for students in core subjects

- Complying with legislative requirements regarding employment law, data protection, discrimination, Companies House and HMRC, child protection, the Charity Commission and the National Curriculum.

- Financial risk - not operating within its budget and running a deficit, changes in funding, inappropriate or insufficient financial controls and systems, fraudulent activity and/or financial commitments made without adequate authorisation.

- Operational risks resulting from inexperienced or inappropriate staff being employed and inaccurate, out of date or inappropriate information.

The key controls used by the Academy include:

- Detailed terms of reference for all committees

- Formal agendas for the Academy board and committees

- Schemes of delegation and formal financial regulations

- Formal written policies

- Clear authorisation and approval levels

- Policies and procedures required by law to protect the vulnerable

Estate management and security

Maintaining the current buildings which are a mixture of Victorian and modern buildings. Following a devastating flood in 2020, the vast majority of the school was refurbished including wall, paint work and flooring. As such the school is in excellent state of repairs but an ongoing improvement programme ensures this is maintained.

Maintaining the roofing of the building, protecting the lead and maintaining flat roof. This has been mitigated in part through the installation of a new CCTV system to deter theft.

Risk of future flooding. A comprehensive flood report was commissioned by the academy following the flood of 2020. The academy now has flood gates that can be installed to prevent water damage to the building at times of risk.

Financial and risk management objectives and policies

The School has agreed a Risk Management strategy, a Risk register and a Risk Management plan. These have been discussed by governors and include the financial risks to the school. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

STRATEGIC REPORT

Future plans

The Academy will continue to maintain and where possible improve the performance of its pupils at all levels and will continue to ensure that pupils have the best start to their education.

Admit a full cohort of 60 children each year and operate near capacity of 420 pupils.

Full details of our plans for the immediate development of the school are in the School Improvement Plan.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Company was incorporated on the 17 November 2011 and converted from a Local Authority School to an Academy Trust on the 1st December 2011.

The governors act as the trustees for the charitable activities of Holmer Church of England Academy and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Holmer Church of England Academy.

Details of the governors who served throughout the year except as noted are included in the Reference and Administrative Details on pages 1 and 2.

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.

Governors' Indemnities

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

The liability insurance was provided by RPA and provides cover up to £10,000,000 (2022: £10,000,000) on any one claim up until 31st August 2023.

Principal activities

This is defined in the Articles of Association.

Method of Recruitment and Appointment or Election of Governors

This is defined in the Articles of Association.

The Members may appoint by ordinary resolution a minimum of three directors.

The number of Directors shall be no less than five and shall not be subject to any maximum.

A minimum of two parent directors should be appointed.

The company may also have any co-opted Governors.

The Diocesan Corporate member shall appoint at least two Directors (at absolute discretion may appoint more than two) as long as the total number does not exceed 25%.

The total number of employees including the principal if appointed shall not exceed one third of the directors.

The Principal shall be treated for all purposes as being an ex officio governor.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Academy has a leadership structure which consists of the governors and the Senior Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. The Headteacher is the Accounting Officer.

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

The Senior Management Team is the Headteacher, deputy Headteacher, assistant head teacher and four teaching staff. These leaders direct the Academy at an executive level implementing the policies laid down by the governors and reporting back to them.

Policies and Procedures Adopted for the Induction and Training of Governors

The Academy has a Governor Recruitment and Induction policy.

The training and induction provided for new governors includes a tour of the Academy and a chance to meet staff and pupils. The Governor Support Team at the Local Authority provides external training including financial matters. They provide regular updates on practice, legislation and guidance. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors.

Arrangements of Setting Pay and Remuneration of Key Management Personnel

The Academy follows the Teachers Performance Related Pay Policy adopted by the Academy in February 2015 which sets out the agreed criteria and parameters for Headteachers pay at the Academy and the Deputy Head and Senior Leaders. The policy follows the agreed policy adopted by Herefordshire Local Authority. All teaching staff are paid within the teacher's pay scales as agreed in the policy. Performance related pay targets are set each year and Teachers Pay progression is determined by the outcome of the Performance Management Meetings.

Related Parties and Other Connected Charities and Organisations

For the period September 2022 to August 2023 no related parties were identified within the Academy.

Risk management

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas, and its finances. The governors have implemented a system of assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control.

The governors have identified a risk with planned building work this academic year and planned building work for next academic year. To ensure value for money and to mitigate the risk of increase in the cost of materials and services, value engineering processes were undertaken and fixed prices secured. Contingency funding was built into the project in case of any unforeseen difficulties. This mitigated the risk of the projects not being able to be completed due to rising costs and ensured best value for money. This has resulted in improved estate and resources for pupils.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

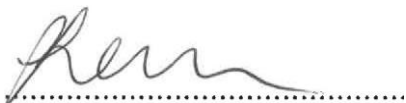
So far as the governors are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy trust's auditors are unaware, and each governor has taken all the steps that they ought to have taken as a governor in order to make them aware of any audit information and to establish that the academy trust's auditors are aware of that information.

AUDITORS

The auditors, Thorne Widgery Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the Governors
for the Year Ended 31 August 2023

Governors report, incorporating a strategic report, was approved by order of the governors, as the company directors,
ont1n 2,,\?.,-3..... and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'S J Lewis', is written over a horizontal dotted line.

Mrs S J Lewis - Governor

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Holmer 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 of loss.

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

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

The Governors' consider that the Board and its Committees combined, meet adequately and regularly over the course of the year in order to discharge their responsibilities and have robust and effective management arrangements.

Governance Statement
for the Year Ended 31 August 2023

Governance

The information on governance included here supplements that described in the Report of the Governors and in the Statement of Governors' Responsibilities. The board of governors has formally met 6 times during the year. Attendance during the year at meetings of the board of governors was as follows:

		Meetings Attended	Out of a Possible
Trustee			
Rev S Lee	Ex Officio (retired 09.07.23)	6	6
Miss E Stackhouse	Non-teaching Staff	6	6
Mrs J Maund	Head Teacher	6	6
Mrs M Hampshire	Foundation	6	6
Mr R Oram	Parent (resigned 29.11.22)	1	1
Mrs H Shellam	Teacher	6	6
Mrs A Barnstable	Co-opted	6	6
Mr S Murphy	Parent (appointed 24.03.23)	3	3
Mrs S Lewis	Parent (Chair of Governors)	5	6
Rev E Butler	Foundation (resigned 07.11.23)	5	6
	Interim Ex-Officio Foundation (appointed 26.10.23)		
Mrs J Tate		0	0

Board of Trustees

The Articles of Association have been updated and were implemented in April 2022. The articles are based on the minority church academy articles and the Academy has four members and currently has nine trustees. The foundation ex-officio, Rev Steven Lee retired in July 2023. A foundation Governor will be appointed for September, prior to the next incumbents appointment.

The board has conducted an internal audit of skills and had received training and challenge from the schools School Improvement Partner, a registered OFSTED inspector. The challenges for the board this year have been to maintain the high performance of teaching and learning within the academy and to improve the building capacity with a £800,000 building project funded mainly through s106 monies.

The board scrutinise both internal data produced by the school and scrutinise external data including the IDSR. Internal data shared with Governors has been on track to the end of Key Stage performance in statutory assessments indicating it is accurate and valid data. Financial running of the school is benchmarked using data on the VMFI database.

Conflict of Interest

To ensure there are no conflicts of interest, all Governors and senior leaders complete a register of interest document at the beginning of the year. This is used as an ongoing document and checked against when any new companies or businesses are commissioned. The academy does not have ownership or control of any subsidiaries, joint ventures or associates.

The **Finance and General Purposes Committee** is a sub-committee of the main Governing Body. Its purpose is to have financial strategic oversight of the school ensuring the best outcome for pupils in the most cost effective way whilst ensuring its building and premises are maintained to a standard to support efficient education of pupils.

Attendance at meetings in the year was as follows:

		Meetings Attended	Out of a Possible
Trustee			
Miss E Stackhouse	Non-teaching staff (presenting no vote)	3	3
Miss M Hampshire	Foundation	3	3
Mrs J Maund	Head Teacher (presenting no vote)	3	3
Mrs A Barnstable	Co-opted	3	3
Rev S Lee	Foundation (retired 09.07.23)	3	3
Mrs S Lewis	Parent	3	3

The Curriculum and Standards Committee is a sub-committee of the main Governing Body. Its purpose is to keep curriculum priorities under review and hold the headteacher to account for the educational performance of the school.

Attendance at meetings in the year was as follows:

Governance Statement
for the Year Ended 31 August 2023

		Meetings Attended	.Out of a Possible
Trustee			
Mrs M Hampshire	Foundation	3	3
Miss E Stackhouse	Non Teaching	3	3
Mrs J Maund	Head Teacher	3	3
Rev R Oram	Parent (resigned 29.11.22)	1	1
Mrs H Shellam	Teaching	3	3

Governance Review

The Academy periodically reviews the skills set of the Governors to ensure a board range of knowledge/expertise is represented.

Review of Value for Money

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

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

Improving educational results

We have ensured that resources are directed towards improving educational opportunities for all our children by:

- Providing targeted teaching support in small groups with identified children supporting mental health and well being of pupils and staff by investing in resources
- Investing in CPD for the teaching of early phonics and reading
- Investing in high quality reading and phonics books
- Funding support for the provision of daily reading intervention
- Providing the best possible teaching and support staff in all areas
- Targeting support to assist the achievement of all individuals and all groups of pupils
- Tracing and reviewing all pupil progress and ensuring that interventions are smart, effective and resulting in progress.
- Pupil premium spending has resulted in Narrowing the Gap, this is illustrated by the report on our website
- KS1 attainment was significantly above national in all subjects
- KS1 attainment in reading, writing and maths combined was above national average at expected level and greater depth
- KS2 attainment was above national in all subjects
- KS2 progress was above national in reading and maths
- KS2 attainment in reading, writing and maths combined was above national average at expected level and greater depth
- The average scaled score for pupils in KS2 in writing and in mathematics was above other pupils nationally
- The proportion of Year 1 pupils that met the expected standard in phonics was above the national figure
- The proportion of children attaining a good level of development at the end of the EYFS was above national figure

The effectiveness of these strategies was confirmed by our data and internal pupil tracking.

Value for money has also been assured through improving the building and facilities of the academy by creating two classroom spaces as well as an activity area and small group work room. Administration areas have been improved and well being area for pupils created. The schools estate has been managed strategically and enhanced to improve facilities and teaching space for pupils.

Financial governance and oversight

Our governance and oversight are strong and include regular contact with our accountants shared monthly with Governors where percentage spent in each category is rated along with scrutiny of the financial position at 3 meetings of the Finance Committee per year:

- Regular monitoring of accounts takes place by the finance committee
- Monthly spending against projected cost is shared with all Governors
- Spending proposals are costed and compared to ensure best value and then considered by the finance committee
- The budget position is discussed regularly to ensure decisions are made after considering the short and long term view
- Contracts are renegotiated where possible and collaboration with other schools ensure economies of scale and best value.
- Purchasing decisions are always based on requests for discounts and challenging providers to provide a best price
- Contracts are reviewed and compared with other options before renewal
- School decisions are benchmarked against options available to other schools locally
- Through prudent and cost effective spending, the school is in a position to make further spending on buildings improvement

Governance Statement
for the Year Ended 31 August 2023

Some income is acquired by various lettings and holiday clubs
The buying Consortium is used to ensure best value for money is achieved on purchases.

Estate Management Improvements

The estate has been improved over the year 2022-2023 with a second story extension to the Williams building, providing two additional classrooms. This has enabled the vacated, smaller Victorian building classrooms to be recommissioned as an area for design and technology, as well as a meeting room for staff and continuous professional development. A new kitchen has also been installed to support the teaching of design and technology.

A covered canopy has provided an outdoor learning area for pupils in Year 1 that can be accessed and utilised all year round.

We considered tenders and value for money during the course of the projects, which were discussed with governors at various stages.

New initiatives for forthcoming Academic year:

Repurpose the old year 3 classrooms through installing kitchen area, fire protection work and redecoration.
Build a purpose built music studio through funding secured through s106 money. Currently awaiting planning permission.
Engage in Voice 21 oracy project to support children's vocabulary, oracy and listening skills.
Work with the Maths Hub to implement Mastering number in EYFS and KS1.
Create a wellbeing space for pupil wellbeing support and counselling.
Employ a specialist Computing and Music teachers to enhance the curriculum.
Employ a dedicated Speech and Language specialist one day per week
Reconfigure the office and meeting room spaces
Create dedicated **PPA** area for staff

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 Holmer Church Of England Academy for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of governors 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 governors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

Governance Statement
for the Year Ended 31 August 2023

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 Governing Body;
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 governors have appointed an external auditor to carry out a programme of internal scrutiny checks.

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

Monthly Reports shared with Governor
Update on previous year's Financial Scrutiny Report:

On an annual basis, the reviewer reports to the board of trustees, through the resource committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of Effectiveness

As Accounting Officer, the Principal 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 reviewer
the financial management and governance self-assessment process or the school resource management self-assessment tool
the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework
the work of the external auditor
correspondence from ESFA
Meeting with Julie Hallam ESFA
Discussion on support offered by School Resource Management Advisors (SRMA)

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of governors on ... I.Z- .I.?.J:Z.S..... and signed on its behalf by:


.....
Mrs S J Lewis - Governor

.....L ..Jdcum.d
Mrs R J Mau d - Accounting Officer

Holmer Church Of England Academy

Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2013

As accounting officer of Holmer Church Of England Academy I have considered my responsibility to notify the academy trust board of governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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

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Mrs R J Maun - ccounting Officer

Date:11-:\.t.1:-)i.....

Statement of Governors' Responsibilities
for the Year Ended 31 August 2023

The governors (who act as trustees of Holmer Church Of England Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The governors 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 to 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 governors 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 the ESFA/DfE have been applied for the purposes intended.

In preparing these financial statements, the trustees are required to state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The governors 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.

Governors report, incorporating a strategic report, was approved by order of the governors, as the company directors, on12/4.2023..... and signed on its behalf by:



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Mrs S J Lewis - Governor

Opinion

We have audited the financial statements of Holmer Church Of England Academy (the 'academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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) and the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions 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 Report of the Governors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Governors 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 academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Governors.

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, the governors (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 governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the academy trust 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to both the Academy itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the trustees and other management. The most significant were identified as the Department for Education, the Education and Schools Funding Agency, the Academy Trust Handbook 2022, the Academies Accounts Direction 2023, Companies Act legislation and Charities Act and FRS102 SORP legislation.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- Making enquiries of management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- Obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- Assessing the design effectiveness of the controls in place to prevent and detect fraud;
- Assessing the risk of management override including identifying and testing journal entries;
- Challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 the Independent Auditors.

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Report of the Independent Auditors to the Members of
Holmer Church Of England Academy

Use of our report

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



Lisa Weaver FCCA (Senior Statutory Auditor)
for and on behalf of Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date:Zcl. ".4-.l

Note:

The maintenance and integrity of the Holmer Church Of England Academy website is the responsibility of the governors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Independent Reporting Accountant's Assurance Report on Regularity to
Holmer Church Of England Academy and the Education and Skills Funding Agency

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

This report is made solely to Holmer Church Of England Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Holmer 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 Holmer Church Of England Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Holmer Church Of England Academy's accounting officer and the reporting accountant

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

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2022 to 2023 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 our conclusions includes:

- detailed testing of a sample of items of income and expenditure to ensure appropriately applied for the purposes intended
- specific testing, on a sample basis, of system controls relevant to the above
- a general review of correspondence with the appropriate authorities regarding Academy governance matters during the year
- a general review and discussion of the Academy's internal procedures for establishing and maintaining systems of control and documentation regarding these matters

This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

Conclusion

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

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Thorne Widgery Accountancy Ltd
Chartered Accountants
Reporting Accountant
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date:?P.J!.1: -----

Statement of Financial Activities

(Incorporating an Income and Expenditure Account)

for the Year Ended 31 August 2023

					31.8.23	31.8.22
	Notes	Unrestricted General fund £	Restricted Fixed Assets £	Restricted General Fund £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	8,671	34,538	46,857	90,066	68,252
Charitable activities						
Funding for the academy's educational operations	3		705,440	2,078,028	2,783,468	1,908,962
Other trading activities	4	26,947			26,947	26,601
Investment income	5	88			88	102
Total		35,706	739,978	2,124,885	2,900,569	2,003,917
EXPENDITURE ON Charitable activities						
Academy's educational operations	7	23,659	87,395	2,286,498	2,397,552	2,177,620
Total		23,659	87,395	2,286,498	2,397,552	2,177,620
NET INCOME/(EXPENDITURE)		12,047	652,583	(161,613)	503,017	(173,703)
Transfers between funds	17		232,169	(232,169)		
Other recognised gains/(losses)						
Actuarial gains on defined benefit schemes				198,000	198,000	801,000
Net movement in funds		12,047	884,752	(195,782)	701,017	627,297
RECONCILIATION OF FUNDS						
Total funds brought forward		252,609	2,222,667	378,735	2,854,011	2,226,714
TOTAL FUNDS CARRIED FORWARD		<u>264,656</u>	<u>3,107,419</u>	<u>182,953</u>	<u>3,555,028</u>	<u>2,854,011</u>

The notes form part of these financial statements

Balance Sheet

31 August 2023

	Notes	31.8.23 £	31.8.22 £
FIXED ASSETS			
Tangible assets	12	3,107,421	2,222,667
CURRENT ASSETS			
Debtors	13	246,977	70,602
Cash at bank		432,465	908,450
		679,442	979,052
CREDITORS			
Amounts falling due within one year	14	(194,835)	(128,708)
NET CURRENT ASSETS		484,607	850,344
TOTAL ASSETS LESS CURRENT LIABILITIES		3,592,028	3,073,011
PENSION LIABILITY	18	(37,000)	(219,000)
NET ASSETS		3,555,028	2,854,011
FUNDS	17		
Restricted funds:			
General Annual Grant		219,954	597,735
Restricted Pension Fund		(37,000)	(219,000)
DfE/YPLA Capital Grants		528,025	520,102
Conversion and Depreciation		1,321,059	1,336,261
Fixed assets funded by GAG		315,678	289,916
Fixed assets funded by other		942,657	76,388
		3,290,373	2,601,402
Unrestricted funds:			
Unrestricted General fund		264,655	252,609
TOTAL FUNDS		<u>3,555,028</u>	<u>2,854,011</u>

The financial statements were approved and authorised for issue by the Board of Governors and authorised for issue onJ:Z,,J.t.'Z--j.'7--3..... and were signed on its behalf by:

.....
S J Lewis - Governor

Cash Flow Statement

for the Year Ended 31 August 2023

	Notes	31.8.23 £	31.8.22 £
Cash flows from operating activities			
Cash generated from operations		465,773	(13,073)
Net cash provided by/(used in) operating activities		465,773	(13,073)
Cash flows from investing activities			
Purchase of tangible fixed assets		(968,627)	(45,146)
Capital grants from DfE/EFA		26,781	8,534
Interest received		88	102
Net cash used in investing activities		(941,758)	(36,510)
Change in cash and cash equivalents in the reporting period		(475,985)	(49,583)
Cash and cash equivalents at the beginning of the reporting period		908,450	958,033
Cash and cash equivalents at the end of the reporting period		432,465	908,450

Notes to the Cash Flow Statement
for the Year Ended 31 August 2023

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.23 £	31.8.22 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	503,017	(173,703)
Adjustments for:		
Depreciation charges	83,873	69,239
Capital grants from DfE/ESFA	(26,781)	(8,534)
Interest received	(88)	(102)
Increase in debtors	(176,375)	(2,256)
Increase/ (decrease) in creditors	66,127	(4,717)
Difference between pension charge and cash contributions	16,000	107,000
Net cash provided by/(used in) operations	<u>465,773</u>	<u>(13,073)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.22 £	Cash flow £	At 31.8.23 £
Net cash			
Cash at bank and in hand	908,450	(475,985)	432,465
	908,450	(475,985)	432,465
Total	<u>908,450</u>	<u>(475,985)</u>	<u>432,465</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2022 to 2023 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Holmer Church Of England Academy meets the definition of a public benefit entity under FRS 102.

Going concern

The governors 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 governors 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.

The governors have considered the effects of the current economic inflationary pressures on their financial future and are confident there will be no significant effect on them continuing as a going concern.

Critical accounting judgements and key sources of estimation uncertainty

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 areas of judgement

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, which are disclosed in the notes to the financial statements, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at the year end. 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.

Income

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received 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.

1. ACCOUNTING POLICIES • continued

Grants

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.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Charitable activities

Costs of charitable activities are 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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Land & Buildings	- 2% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 33.3% on cost

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.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund

Assets in the course of construction are included at cost. Depreciation of these assets is not charged until they are brought into use.

Included within long leasehold is land and buildings that the school occupies under a Church Supplement Agreement with the Hereford Diocese Board of Education which gives the academy permission to occupy the site only. The Diocese Board of Education can give the academy a two year notice period to terminate the agreement and to be vacated from the site.

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.

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 the notes. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in the notes to the accounts. 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 Chapter 3 Part 11 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.

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 Governors.

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

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency.

1. ACCOUNTING POLICIES • continued

Pension costs and other post-retirement 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. As stated in the notes to the accounts, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit charges, 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 gains and losses.

The assumptions used by the actuaries in the year end LGPS pension valuation do not take account of the current inflation rates. Although this would adjust the valuation, the Trustees feel this is an arbitrary exercise which would add unnecessary additional cost in these already financially challenging times. A full triennial valuation was performed in 2022, the results of which will come into effect from 1 April 2023. Preliminary results indicate that employer contributions will fall from this date.

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.

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.

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

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	31.8.23 Total funds £	31.8.22 Total funds £
Grants		26,781	26,781	8,534
School trips etc		33,036	33,036	30,017
Other grants and payments	8,671	21,578	30,249	29,701
	8,671	81,395	90,066	68,252

The comparatives include unrestricted funds of £5,502 and restricted funds of £62,751 giving a total of £68,253.

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.23 Total funds £	31.8.22 Total funds £
DfE/ESFA grants				
General Annual Grant(GAG)		1,769,975	1,769,975	1,672,000
Other DfE/EFSA grants				
Other				21,163
Universal free school meals		71,433	71,433	57,619
Pupil premium		87,491	87,491	78,002
PE and sports		19,580	19,580	19,430
Schools supplementary grant				19,617
Other DfE/EFSA grants		73,859	73,859	
		2,022,338	2,022,338	1,867,831
Other Government grant				
Local Authority Grants		747,366	747,366	34,606
Covid-19 additional funding (DfE/ESFA)				
Catch-up premium		13,764	13,764	6,525
		2,783,468	2,783,468	1,908,962

All of the figures included in the comparatives related to restricted funds.

The academy received £13,764 of funding for catch-up premium and costs incurred in respect of this funding totalled £13,764, with £Nil to be spent in 2023/24.

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

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.8.23 Total funds £	31.8.22 Total funds £
Room and building hire	4,675		4,675	4,625
Catering income	22,272		22,272	18,818
Sundry Income				3,158
	26,947		26,947	26,601

The comparatives include unrestricted funds of £23,444 and restricted funds of £3,156 giving a total of **£26,601..**

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	31.8.23 Total funds £	31.8.22 Total funds £
Deposit account interest	88		88	102

All of the figures included in the comparatives related to unrestricted funds.

6. EXPENDITURE

	Non-pay expenditure			31.8.23	31.8.22
	Staff costs £	Premises £	Other costs £	Total £	Total £
Charitable activities					
Academy's educational operations					
Direct costs	1,157,602	15,202	292,180	1,464,984	1,384,444
Allocated support costs	538,946	139,013	254,609	932,568	793,176
	<u>1,696,548</u>	<u>154,215</u>	<u>546,789</u>	<u>2,397,552</u>	<u>2,177,620.</u>

Net income/(expenditure) is stated after charging/(crediting):

	31.8.23 £	31.8.22 £
Auditors' remuneration	9,218	7,965
Other non-audit services		1,112
Depreciation - owned assets	83,873	69,239
Operating leases	5,020	5,508

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

7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.23 Total funds £	31.8.22 Total funds £
Direct costs	3,941	1,461,043	1,464,984	1,384,444
Support costs	19,718	912,850	932,568	793,176
	23,659	2,373,893	2,397,552	2,177,620

	31.8.23 Total £	31.8.22 Total £
Analysis of support costs		
Support staff costs	538,946	459,457
Depreciation	68,672	54,038
Premises costs	139,013	108,414
Other support costs	176,719	162,190
Governance costs	9,218	9,077
Total support costs	932,568	793,176

The comparatives include unrestricted funds of £31,832 and restricted funds of £2,145,788, making up the balance of £2,177,620.

8. STAFF COSTS

	31.8.23 £	31.8.22 £
Wages and salaries	1,252,471	1,104,765
Social security costs	112,988	91,972
Operating costs of defined benefit pension schemes	284,162	247,040
	1,649,621	1,443,777
Supply teacher costs	46,927	67,818
	1,696,548	1,511,595

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	31.8.23	31.8.22
Teachers	19	20
Administration and support	26	30
Management	2	2
	47	52

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

8. STAFF COSTS - continued

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

	31.8.23	31.8.22
£60,001 - £70,000	1	
£70,001 - £80,000		
£80,001 - £90,000		
	2	

Key management personnel

The key management personnel of the academy trust comprise 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 £396,616 (2022: £356,150).

9. **RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES**

One or more governors has been paid remuneration or has received other benefits from an employment with the academy trust.

Headteacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors. The value of governors' remuneration was as follows:

R J Maund (Head Teacher)		
Remuneration	£75,000 - £80,000	(2022: £80,000 - £85,000)
Employers Pension Contribution	£15,000 - £20,000	(2022: £15,000 - £20,000)
E Stackhouse (Staff Governor)		
Remuneration	£10,000 - £15,000	(2022: £10,000 - £15,000)
Employers Pension Contribution	£0 - £5,000	(2022: £0 - £5,000)
Z Jackson (Staff Governor) (resigned 1.11.21)		
Remuneration	£Nil	(2022: £5,000 - £10,000)
Employers Pension Contribution	£Nil	(2022: £0 - £5,000)
H Shellam (Staff Governor)		
Remuneration	£30,000 - £35,000	(2022: £30,000 - £35,000)
Employers Pension Contribution	£5,000 - £10,000	(2022: £5,000 - £10,000)

10. **GOVERNORS' AND OFFICERS' INSURANCE**

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

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted General fund £	Restricted Fixed Assets £	Restricted General Fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	5,500	8,535	54,217	68,252
Charitable activities				
Funding for the academy's educational operations			1,908,962	1,908,962
Other trading activities	23,445	(1)	3,157	26,601
Investment income	102			102
Total	29,047	8,534	1,966,336	2,003,917
EXPENDITURE ON				
Charitable activities				
Academy's educational operations	31,832	77,774	2,068,014	2,177,620
Total	31,832	77,774	2,068,014	2,177,620
NET INCOME/(EXPENDITURE)	(2,785)	(69,240)	(101,678)	(173,703)
Transfers between funds		45,146	(45,146)	
Other recognised gains/(losses)				
Actuarial gains on defined benefit schemes			801,000	801,000
Net movement in funds	(2,785)	(24,094)	654,176	627,297
RECONCILIATION OF FUNDS				
Total funds brought forward	255,394	2,246,761	(275,441)	2,226,714
TOTAL FUNDS CARRIED FORWARD	252,609	2,222,667	378,735	2,854,011

12. TANGIBLE FIXED ASSETS

	Land & Buildings £	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 September 2022	1,499,684	950,046	78,617	234,548	2,762,895
Additions		915,521	46,266	6,840	968,627
At 31 August 2023	1,499,684	1,865,567	124,883	241,388	3,731,522
DEPRECIATION					
At 1 September 2022	163,423	149,270	61,975	165,560	540,228
Charge for year	15,202	23,741	6,862	38,068	83,873
At 31 August 2023	178,625	173,011	68,837	203,628	624,101
NET BOOK VALUE					
At 31 August 2023	1,321,059	1,692,556	56,046	37,760	3,107,421
At 31 August 2022	<u>1,336,261</u>	<u>800,776</u>	<u>16,642</u>	<u>68,988</u>	<u>2,222,667</u>

Included within long leasehold is land and buildings that the academy occupies under a Church Supplement Agreement with the Hereford Diocese Board of Education which gives the academy permission to occupy the site only. The Diocese Board of Education can give the academy a two year notice period to terminate the agreement and to be vacated from the site.

Land to the value of £739,576 (2022: £739,576) is included within Land and Buildings.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.23	31.8.22
	£	£
Trade debtors	1,347	394
VAT	181,336	21,466
Prepayments and accrued income	64,294	48,742
	<u>246,977</u>	<u>70,602</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.23	31.8.22
	£	£
Trade creditors	43,676	27,302
Social security and other taxes	54,126	47,936
Accruals and deferred income	97,033	53,470
	<u>194,835</u>	<u>128,708</u>

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

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

	31.8.23	31.8.22
	£	£
Deferred Income at 1 September	34,190	39,033
Resources deferred in the year	43,475	34,190
Amounts released from previous years	(34,190)	(39,033)
Deferred Income at 31 August	43,475	34,190

At the balance sheet date the Academy Trust was holding funds received in advance in relation to Free School meals income received from the ESFA, relating to the 23/24 academic year.

15. 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.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted General fund £	Restricted Fixed Assets £	Restricted General Fund £	31.8.23 Total funds £
Fixed assets		3,107,421		3,107,421
Current assets	265,430	29,551	384,461	679,442
Current liabilities	(775)	(29,553)	(164,507)	(194,835)
Pension liability			(37,000)	(37,000)
	264,655	3,107,419	182,954	3,555,028

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

	Unrestricted General fund £	Restricted Fixed Assets £	Restricted General Fund £	31.8.22 Total funds £
Fixed assets		2,222,667		2,222,667
Current assets	252,609	5,399	721,044	979,052
Current liabilities		(5,399)	(123,309)	(128,708)
Pension liability			(219,000)	(219,000)
	252,609	2,222,667	378,735	2,854,011

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

17. MOVEMENT IN FUNDS

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Restricted general funds				
General Annual Grant	597,735	(145,612)	(232,169)	219,954
Restricted Pension Fund	(219,000)	182,000		(37,000)
DfE/YPLA Capital Grants	520,102	7,923		528,025
Conversion and Depreciation	1,336,261	(15,202)		1,321,059
Fixed assets funded by GAG	289,916	(19,586)	45,348	315,678
Fixed assets funded by other	76,388	679,448	186,821	942,657
	2,601,402	688,971		3,290,373
Unrestricted fund				
Unrestricted General fund	252,609	12,046		264,655
TOTAL FUNDS	2,854,011	701,017		3,555,028

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
General Annual Grant	1,769,973	(1,915,585)		(145,612)
Other Restricted	88,785	(88,785)		
Other DfE/ESFA grants	73,859	(73,859)		
Restricted Pension Fund		(16,000)	198,000	182,000
DfE/YPLA Capital Grants	26,782	(18,859)		7,923
Conversion and Depreciation		(15,202)		(15,202)
Fixed assets funded by GAG		(19,586)		(19,586)
Fixed assets funded by other	713,196	(33,748)		679,448
Other DfE/ESFA grants - Universal infant free school meals	71,433	(71,433)		
Other DfE/ESFA grants - Pupil premium	87,491	(87,491)		
Other DfE/ESFA grants - PE and sports	19,580	(19,580)		
Other DfE/ESFA grants - Catch-up premium	13,764	(13,764)		
	2,864,863	(2,373,89)	198,000	688,971
Unrestricted fund				
Unrestricted General fund	35,706	(23,660)		12,046
TOTAL FUNDS	2,900,569	(2,397,552)	198,000	701,017

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

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.21 (	Net movement in funds (	Transfers between funds (	At 31.8.22 (
Restricted general funds				
General Annual Grant	632,690	(20,569)	(14,386)	597,735
Other Restricted		30,760	(30,760)	
Restricted Pension Fund	(913,000)	694,000		(219,000)
DfE/YPLA Capital Grants	535,401	(15,299)		520,102
Conversion and Depreciation	1,351,463	(15,202)		1,336,261
Fixed assets funded by GAG	294,640	(19,110)	14,386	289,916
Fixed assets funded by other	65,257	(19,629)	30,760	76,388
Other DfE/ESFA grants - PE and sports	4,869	(4,869)		
	1,971,320	630,082		2,601,402
Unrestricted fund				
Unrestricted General fund	255,394	(2,785)		252,609
TOTAL FUNDS	2,226,714	627,297		2,854,011

Comparative net movement in funds, included in the above are as follows:

	Incoming resources (	Resources expended (	Gains and losses (	Movement in funds (
Restricted general funds				
General Annual Grant	1,672,000	(1,692,569)		(20,569)
Other Restricted	91,980	(61,220)		30,760
Other DfE/ESFA grants	40,780	(40,780)		
Restricted Pension Fund		(107,000)	801,000	694,000
DfE/YPLA Capital Grants	8,534	(23,833)		(15,299)
Conversion and Depreciation		(15,202)		(15,202)
Fixed assets funded by GAG		(19,110)		(19,110)
Fixed assets funded by other		(19,629)		(19,629)
Other DfE/ESFA grants • Universal infant free school meals	57,619	(57,619)		
Other DfE/ESFA grants - Pupil premium	78,002	(78,002)		
Other DfE/ESFA grants - PE and sports	19,430	(24,299)		(4,869)
Other DfE/ESFA grants - Catch-up premium	6,525	(6,525)		
	1,974,870	(2,145,788)	801,000	630,082
Unrestricted fund				
Unrestricted General fund	29,047	(31,832)		(2,785)
TOTAL FUNDS	2,003,917	(2,177,620)	801,000	627,297

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

- General Annual Grant (GAG): Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August

17. MOVEMENT IN FUNDS - continued

- Other DfE/ESFA Grants: are utilised for the purposes intended by the donor.
- Other Restricted General Funds: include payments made towards Academy trips.
- The Pension Fund: is the surplus/(deficit) in the Local Government Pension Scheme.
- Restricted Fixed Asset Funds: include the fixed assets transferred on conversion to Academy, capital grants, additions and depreciation.
- Unrestricted Funds: are all those income and expenses for general use in the Academy.

Transfers between funds relate to re-allocation of the cash spent on fixed assets during the year ended 31 August 2023.

18. 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 Worcestershire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £22,300 were payable to the schemes at 31 August 2023 (2022 - £26,220) and are included within creditors.

Teachers' pension scheme

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

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

18. PENSION AND SIMILAR OBLIGATIONS - continued

Valuation of the teachers' pension scheme

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

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £194,740 (2022 - £179,518).

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

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £95,691 (2022: £73,841), of which employer's contributions totalled £73,284 (2022: £56,052) and employees' contributions totalled £22,407 (2022: £17,789). The agreed contribution rates for future years are 10.8% for employers and between 5.5% and 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. On 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOY.UK.

As the scheme is in deficit, the academy has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels.

The rates payable over a three year period will be the Future Service Rate of 19.3% of payroll plus phased lump sum deficit contributions starting at £12,000 for the year 2023/24 increasing by approximately 5% per annum.

The current estimated recovery period is 15 years.

The assumptions used by the actuaries in the year end LGPS pension valuation do not take account of the current inflation rates. Although this would adjust the valuation, the Trustees feel this is an arbitrary exercise which would add unnecessary additional cost in these already financially challenging times. A full triennial valuation was performed in 2022, the results of which came into effect from 1 April 2023.

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

18. PENSION AND SIMILAR OBLIGATIONS - continued

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

	Defined benefit pension plans	
	31.8.23	31.8.22
	£	£
Current service cost	93,000	158,000
Net interest from net defined benefit asset/liability	7,000	16,000
Past service cost		
Administrative expenses	2,000	1,000
	<u>102,000</u>	<u>175,000</u>
Actual return on plan assets	<u>41,000</u>	<u>(17,000)</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.8.23	31.8.22
	£	£
Opening defined benefit obligation	938,000	1,613,000
Current service cost	93,000	158,000
Contributions by scheme participants	23,000	18,000
Interest cost	40,000	28,000
Oblig experience (gain)/loss	76,000	111,000
Actuarial losses/ (gains)	(266,000)	(941,000)
Benefits paid		(49,000)
	<u>904,000</u>	<u>938,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.8.23	31.8.22
	£	£
Opening fair value of scheme assets	719,000	700,000
Contributions by employer	86,000	68,000
Contributions by scheme participants	23,000	18,000
Expected return	33,000	12,000
Actuarial gains/ (losses)	8,000	(29,000)
Benefits paid		(49,000)
Administrative expenses	(2,000)	(1,000)
	<u>867,000</u>	<u>719,000</u>

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

18. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.8.23	31.8.22
	£	£
Actuarial gains/ (losses)	198,000	801,000
	198,000	801,000

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.8.23	31.8.22
Equities	73.20%	73.40%
Bonds - Other	2.30%	2.70%
Cash/liquidity	0.90%	1.80%
Property	8.20%	8.30%
Other	15.40%	13.80%
	100.00%	100.00%

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	31.8.23	31.8.22
Rate of increase in salaries	4.30%	4.30%
Inflation assumption (CPI)	2.80%	2.80%
Rate of increase for pensions in payment/inflation	2.90%	2.90%
Discount rate	5.30%	4.30%

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

Retiring today		
Males	21.5	22.6
Females	23.8	25
Retiring in 20 years		
Males	22.8	24.1
Females	25.6	27

Sensitivity analysis

	31.8.23	31.8.22
	£	£
Discount rate +0.1%	(20,000)	(25,000)
Discount rate -0.1%	20,000	26,000
Mortality assumption - 1 year increase	17,000	18,000
Mortality assumption - 1 year decrease	(17,000)	(18,000)
CPI rate +0.1%	20,000	25,000
CPI rate -0.1%	(20,000)	(24,000)

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

19. CONTINGENT LIABILITIES

There are no significant contingent liabilities that the Governors are aware of.

20. CAPITAL COMMITMENTS

	31.8.23	31.8.22
	£	£
Contracted but not provided for in the financial statements		

21. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.8.23	31.8.22
	£	£
Within one year	5,011	5,011
Between one and five years	5,544	10,555
	10,555	15,566

22. RELATED PARTY DISCLOSURES

No related party transactions took place in the period of account.
